TOWN OF SUNNYVALE, TEXAS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED SEPTEMBER 30, 2022

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year Ended September 30, 2022

Town of Sunnyvale, Texas

TABLE OF CONTENTS

	PAGE	EXHIBIT
INTRODUCTORY SECTION (Unaudited)		
Letter of Transmittal	i – iv	N/A
Organizational Chart	2	N/A
List of Elected and Appointed Officials	3	N/A
Certificate of Achievement for Excellence in Financial Reporting	4	N/A
FINANCIAL SECTION		
Independent Auditor's Report on Financial Statements	5	N/A
A. Management Discussion and Analysis (Unaudited)	7	N/A
B. Basic Financial Statements		
Government-wide Financial Statements:		
Statement of Net Position	18	A-1
Statement of Activities	19	A-2
Fund Financial Statements		
Governmental Fund Financial Statements:		
Balance Sheet - Governmental Funds	20	A-3
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	21	A-4
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	22	A-5
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	23	A-6
Proprietary Fund Financial Statements:		
Statement of Fund Net Position - Proprietary Funds	24	A-7
Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds	25	A-8
Statement of Cash Flows - Proprietary Funds	26	A-9
Notes to the Financial Statements	27	N/A
C. Required Supplementary Information (Unaudited):		
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget to Actual - General Fund	71	B-1
Schedule of Changes in Net Pension Liability and Related Ratios	72	B-2
Schedule of Contributions	72	B-2
Schedule of Changes in Total OPEB Liability (Asset)and Related Ratios	74	B-3

TABLE OF CONTENTS - continued

	PAGE	EXHIBIT
D. Supplementary Information		
Non-major Governmental Funds	76	N/A
Combining Balance Sheet - Non-major Governmental Funds	77	C-1
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances - Non-major Governmental Funds	78	C-2
Component Units		
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget to Actual - Debt Service Fund	79	C-3
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget to Actual - Capital Projects Fund	80	C-4
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget to Actual - Special Revenue Fund	81	C-5
Combining Balance Sheet - Component Units	82	C-6
Reconciliation of the Combining Balance Sheet - Component Units	83	C-7
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances - Component Units	84	C-8
Reconciliation of the Schedule of Revenues, Expenditures, and Changes in Fund Balances of Component Units to the Statement of Activities	85	C-9
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual		
4A Development Corporation	86	C-10
4B Development Corporation	87	C-11
E. Other Reports		
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Related Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*	88	N/A
STATISTICAL SECTION (UNAUDITED)		
Introduction and Contents of Statistical Section	91	N/A
		TABLE
Net Position by Component	92	1
Changes in Net Position	93	2
Governmental Activities Tax Revenues by Source	95	3
Fund Balances of Governmental Funds	96	4
Changes in Fund Balances of Governmental Funds	97	5
Assessed Value and Estimated Actual Value of Taxable Property	98	6
Property Tax Rates	99	7
Principal Property Taxpayers	100	8
Property Tax Levies and Collections	101	9
Ratio of Outstanding Debt by Type	102	10
Ratios of General Bonded Debt Outstanding	103	11
Direct and Overlapping Governmental Activities Debt	104	12

TABLE OF CONTENTS - continued

	PAGE	TABLE
Legal Debt Margin Information	105	13
Pledged-Revenue Coverage	106	14
Demographic and Economic Statistics	107	15
Principal Employers	108	16
Full-Time Equivalent Town Government Employees by Function/Program	109	17
Operating Indicators by Function	110	18
Capital Asset Statistics by Function	111	19

INTRODUCTORY SECTION

Town of Sunnyvale
127 N. COLLINS ROAD
SUNNYVALE, TEXAS
75182 TELEPHONE (972) 226-7177

March 27, 2023

Honorable Mayor and Town Council Town of Sunnyvale, Texas

Dear Mayor and Council Members:

The Comprehensive Annual Financial Report of the Town of Sunnyvale, Texas, for the year ended September 30, 2022, is submitted herewith. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that is established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. Fox, Byrd & Company, P.C. has issued an unmodified ("clean") opinion on the Town of Sunnyvale's financial statements for the year ended September 30, 2022. The independent auditor's report is located in the beginning of the financial section of the Audit Report.

This letter of transmittal is designed to complement Management's Discussion and Analysis (MD&A) and should be read in conjunction with it. The Town's MD&A can be found immediately following the independent auditors' report and provides a narrative introduction, overview and analysis of the basic financial statements.

GENERAL INFORMATION -TOWN OF SUNNYVALE

The Town of Sunnyvale is a small, upscale community located about 15 miles east of downtown Dallas. Incorporated in 1953 and occupying approximately 16.8 square miles, Sunnyvale is a Town founded upon uniqueness in the quality of life that our citizens enjoy and the positive environment in which our local businesses can prosper.

The Town operates under the Council-Manager form of government. Policy-making and legislative authority are vested in a governing Council of the Mayor and six (6) Council members. The Town Council is responsible for, among other things, passing ordinances, adopting the budget, appointing committees, and hiring the Town Manager. The Town Manager is responsible for carrying out the policies and ordinances of the Town Council, and for overseeing the day-to-day operations of the Town.

The Town provides a range of services, including police, fire, medical emergency, maintenance of streets and infrastructure, community development, provision of water and wastewater utilities, library services as well as general administrative services.

The annual budget serves as the foundation of the Town's financial planning and control. The respective department heads prepare and submit line-item budget requests for the operations and maintenance portion of their respective departments as well as a listing of capital items for consideration. Citizens Committees provide public input into certain projects and initiatives. The entire budget process includes public involvement as the various elements composing the budget are reviewed in open and advertised public meetings prior to final approval and adoption.

ECONOMIC CONDITIONS AND OUTLOOK

Property tax revenues once provide the greatest portion of the Town's total governmental revenue stream. Historically, the Town has realized strong property value growth and experienced an increase of 9.28% in property values for fiscal year 2021-22. The property tax rate was kept the same from prior year and property tax revenues were 9.91%% more than the prior year due to the increase in the taxable values, The city has seen rapid growth in sales tax, a 36% increase over prior year. This increase has contributed to nearly 1.8 million dollars in additional revenue in sales tax alone. The general fund received over a million of that while the remaining went to economic development. With this increase this allows both property tax and sales tax to contribute equally to greatest portion of the Towns total governmental revenue. Total sales tax continues to trend upward.

Building activity increased throughout the community with the Town experiencing the addition of new homes and continues to work with developers to expand and diversify available retail opportunities. The Town closely monitors all local economic indicators with the intention of being able to respond as needed. As the growth of the

FOR THE FUTURE

The Town Council has identified strategic plan objectives and most of the major initiatives are directly related to those objectives. Of extreme importance is the objective to enhance the quality of life of our citizens, through both infrastructure improvements and the proper maintenance of the existing infrastructure.
The following are current initiatives:

- Funding tree mitigation/ rails to trails development project.
- Seek opportunities to retain open space in the community through acquisition of land.
- Update a unified development ordinance.
- Develop and maintain Sunnyvale roads and streets.
- Create Welcome signage into the Town.
- Complete construction of Glazer Barn within 2 years and add sidewalks.
- Continue to develop the rural community feel.

LONGER-TERM FINANCIAL PLANNING

The City began working on a 5-year long term financial plan. This plan identifies Personnel, operating and capital needs for the future. This also outlined the funding sources for those capital needs. General analysis was done to hire and retail knowledgeable staff through market analysis and policy updates. Plans to attract and retain new retail business as well as home builders to maintain the rural community feel have also been a priority. Plans for additional road repair and replacement have become a priority as more traffic has utilized the streets in this growing community. This five year plan identifies the needs for identifying revenue sources to fund these projects.

Unassigned fund balance in the general fund totals $7,943,167 and is 61% of total general fund expenditures and falls within the policy guidelines of 30% set by the Council for budgetary and planning purposes.

Standard & Poor's Ratings rates Sunnyvale, Texas' general obligation (GO) bonds as 'AA.' The outlook is stable.

FINANCIAL INFORMATION

Accounting Procedures and Budgetary Controls

The Town's accounting records for general government are maintained on a modified accrual basis, with revenues being recorded when available and measurable, and expenditures being recorded when the services or goods are received, and the liabilities are incurred. Accounting records for the Town's water and sewer utility, and other proprietary activities are maintained on the accrual basis.

The budgetary process begins each year with the preparation of both current and proposed year revenue estimates by the Town's financial management staff, and expenditure estimates by each Town department. The Finance Director review budgets and the Town Manager makes final decisions and submits a recommended budget to the Town Council and all funds are appropriated annually.

As part of each year's budget development process, departments are required to update expenditure estimates for the current fiscal year. These estimates are reviewed by the Finance Director, the Town Manager, and the Town Council concurrent with review of the proposed budget. This re- estimated budget may require a supplemental appropriation and, if so, such supplemental appropriation is approved by ordinance adopted by the Town Council prior to the end of the current fiscal year.

General Governmental Functions

Tax Rates All eligible property within the Town of Sunnyvale is subject to assessment, levy, and collection by the Town. A continuing, direct ad valorem tax sufficient to provide for the payment of principal and interest on outstanding bonds within the limits prescribed by law, and the payment of
operation and maintenance costs is set and approved by the Town Council.

The tax rates adopted by the Town Council are shown below:

Town of Sunnyvale	**Adopted Tax Rate**
Tax Year 2022	0.453000
Tax Year 2021	0.453000
Tax Year 2020	0.456700
Tax Year 2019	0.456700
Tax Year 2018	0.412900

Other Information

Certificate of Achievement for Excellence in Financial Reporting
The Government Finance Officers Association of the United State and Canada ("GFOA") awarded the Certificate of Achievement for Excellence in Financial Reporting to the Town of Sunnyvale for its comprehensive annual financial report for the fiscal year ended September 30, 2021. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are

submitting it to the GFOA to determine eligibility of another certificate.

Acknowledgements

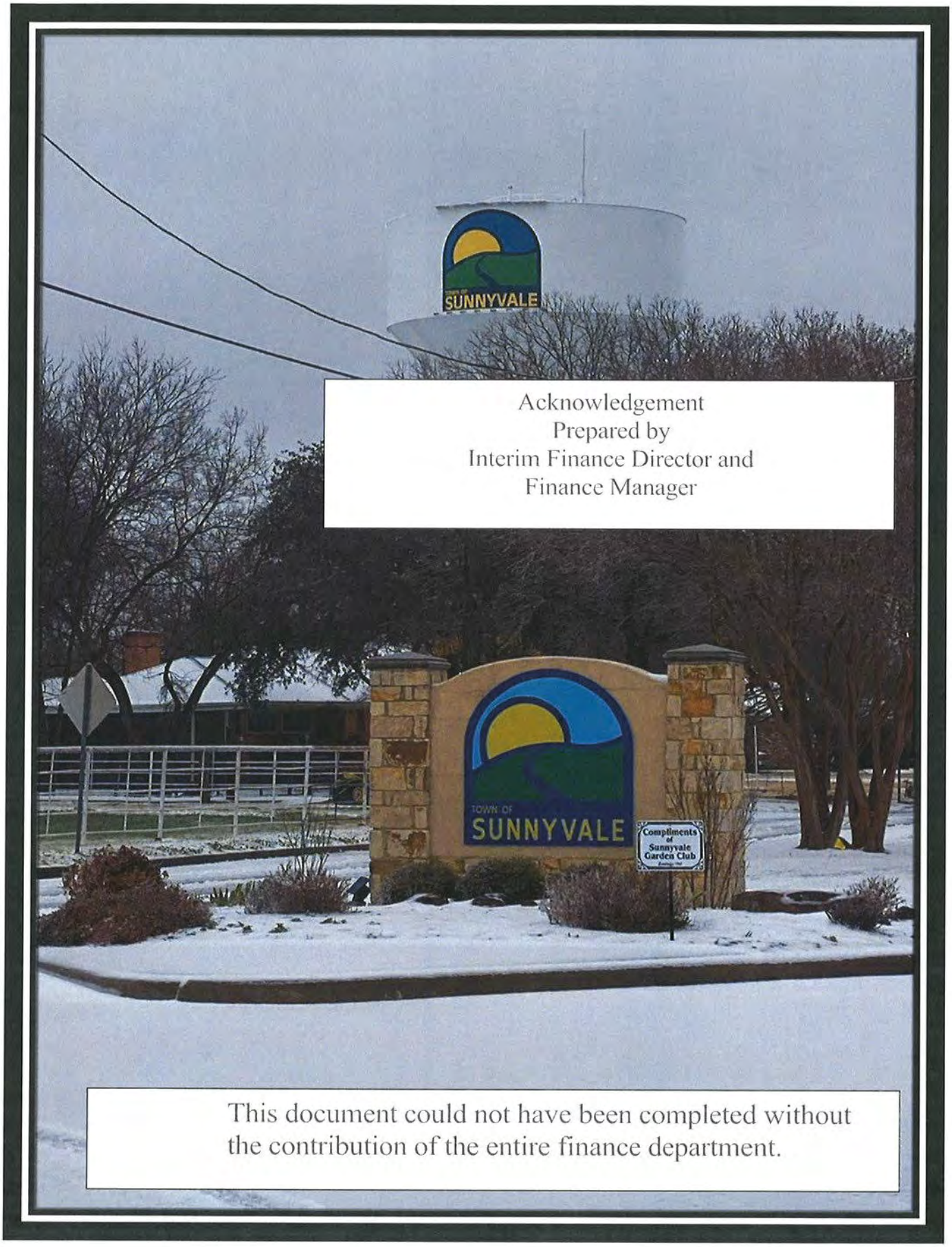
Many people are responsible for the preparation of this report and for the maintenance of records upon which it is based. Appreciation is expressed to the Town employees throughout the organization, who were instrumental in the successful completion of this report.

Our appreciation is also extended to the Mayor and members of the Town Council for providing the resources necessary to maintain the integrity of the Town's financial affairs.

Respectfully submitted,

Miykael Reeve

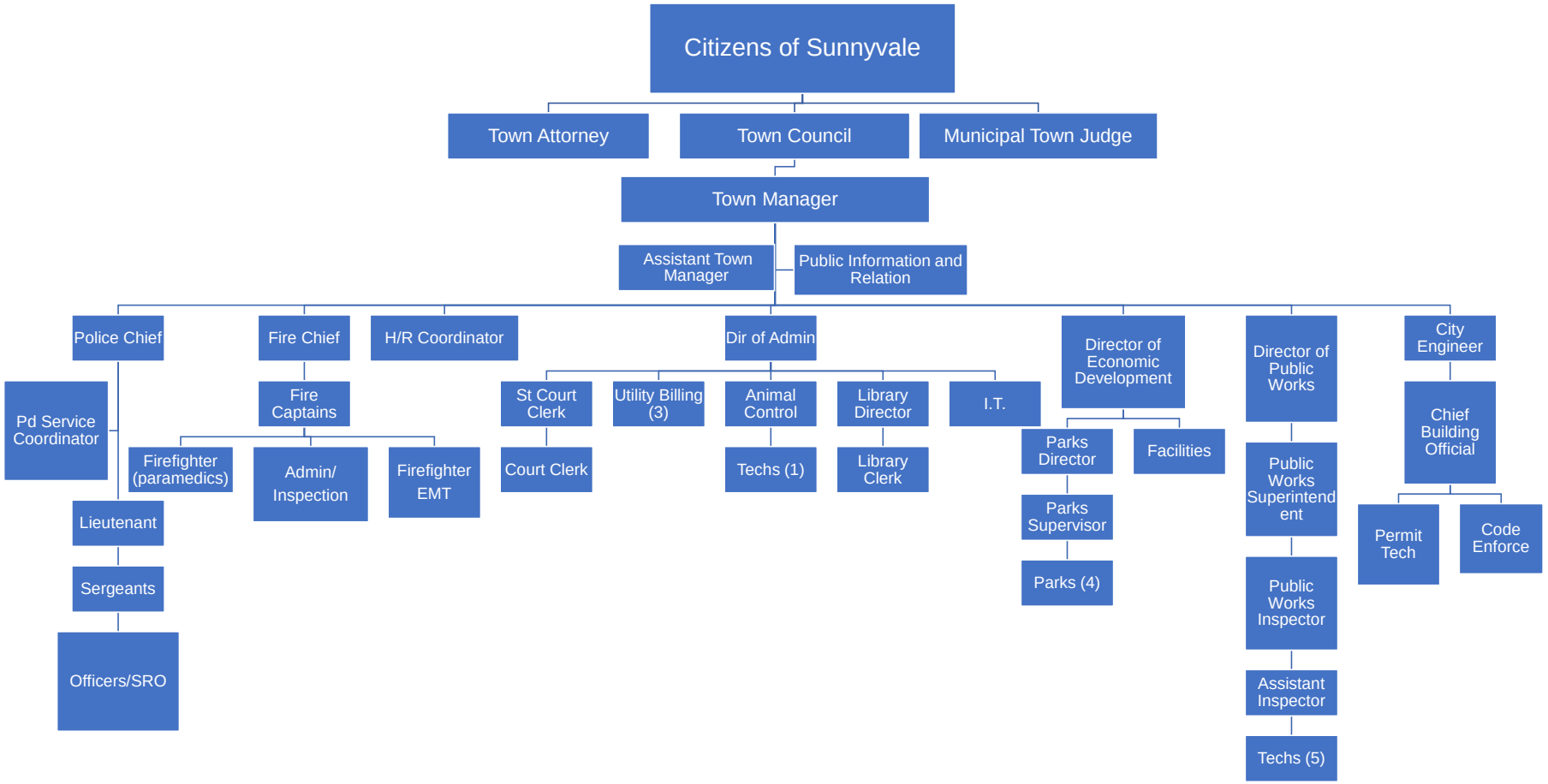
Interim Finance Director



Acknowledgement
Prepared by
Interim Finance Director and
Finance Manager

This document could not have been completed without the contribution of the entire finance department.

Town Organizational Chart



TOWN OF SUNNYVALE, TX

For the year ended September 30, 2022

Town Council:

Saji George	Mayor
Ryan Finch	Place 1
Kevin Clark	Place 2
Mark Egan	Place 3
Mark Edridge	Place 4
Larry Allen	Place 5
Jonathan Freeman	Place 6

Administrative Officers

Jeff Jones	Town Manager
Rachel Ramsey	Town Secretary
Liz Hopkins	Finance Director

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Town of Sunnyvale
Texas

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2021

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION

FOX, BYRD & COMPANY, P.C.
Accountants and Consultants

INDEPENDENT AUDITOR'S REPORT

Town Council
Town of Sunnyvale
127 North Collins Road
Sunnyvale, Texas 75182

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the Town of Sunnyvale, Texas ("Town") as of and for the year ended September 30, 2022, and the related notes to the financial statements which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on an auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no opinion. An audit also includes assessing the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the Town of Sunnyvale, Texas as of September 30, 2022, and the respective changes in financial position, where applicable, and cash flows, thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

12001 N. Central Expressway, Suite 500
Dallas, Texas 75243-3794
Ph (214) 696-8320 | Fax (214) 987-9840
www.foxbyrd.com

Other Matters

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the Schedules of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual for the General Fund, the Schedule of Changes in Net Pension Liability and Related Ratios and the Schedule of Changes in Total OPEB and Related Ratios be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Sunnyvale, Texas' basic financial statements. The introductory section, combining and individual non-major fund financial statements, the Schedules of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual for the Debt Service Fund, the Capital Projects Fund and the Special Revenue Funds and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual non-major fund financial statements are the responsibility of management, and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated March 27, 2023 on our consideration of the Town of Sunnyvale, Texas' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Fox, Byrd & Company, P.C.

Dallas, Texas
March 27, 2023

TOWN OF SUNNYVALE, TEXAS
MANAGEMENT DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022

As management of the Town of Sunnyvale ("Town"), we offer the readers of the Town of Sunnyvale's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended September 30, 2022. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the Town's financial statements, which follow this narrative.

Financial Highlights

- The assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by $79,460,571 (net position). Of this amount, $46,010,858 or 58%, is net investment in capital assets. Net position restricted for specific purposes is $5,180,506 or 7%. The remaining unrestricted position of $28,269,207, or 36% may be used to meet the Town's ongoing obligations to its citizens and creditors in accordance with the Town's fiscal policies.

- The government's total net position increased by $14,549,560, or 22%, due to an increase in both governmental activities and business-type activities net position.

- As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of $22,642,083, a decrease of $4,993,581, or (18)%, in comparison with the prior year. Approximately 35% of this total amount, or $7,943,167, is available for spending at the Town's discretion (unassigned fund balance).

- At the end of the current fiscal year, unassigned fund balance for the General fund of $7,943,167 was 37% of total general fund expenditures for the fiscal year.

- The Town's total long-term obligations decreased by $2,113,768, or -7%, during the current fiscal year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Town of Sunnyvale's basic financial statements. The Town's basic financial statements consist of three components; 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The basic financial statements present two different views of the Town through the use of government-wide financial statements and fund financial statements.In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of the Town of Sunnyvale.

Basic Financial Statements

The first two statements (pages 18-19) in the basic financial statements are the **Government-Wide Financial Statements**. They provide both short and long-term information about the Town's financial status.

The next statements (pages 20-26) are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the Town's government. These statements provide more detail than the government-wide statements. There are two parts to the Fund Financial Statements: 1) the governmental funds statements; and 2) the proprietary fund statements.

The next section of the basic financial statements is the **notes** (pages 27-69). The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, **required supplemental information** (pages 72-75) is provided to show details about the Town's budgets, pension plan and other post-employment benefits (OPEB).

Government-wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the Town's finances, similar in format to a financial statement of a private-sector business. The government-wide statements provide short and long-term information about the Town's financial status as a whole.

The statement of net position presents information on all of the Town of Sunnyvale's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

Thus, revenues and expenses are reported in these statements for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave). Both the statement of net position and the statement of activities are prepared utilizing the accrual basis of accounting.

The government-wide statements are divided into three categories: 1) governmental activities; 2) business-type activities; and 3) component units. The governmental activities include most of the Town's basic services such as public safety, parks and recreation, and general administration. Property taxes, sales tax and state and federal grant funds finance most of these activities. The business-type activities are those that the Town charges customers to provide. These include the utility services offered by the Town of Sunnyvale. The final category is the component unit. The Town has one component unit. In the Nov. 5, 2020 election voters approved the termination of the 4A Development Corporation and its associated sales tax; and the adoption of a local sales and use tax in the Town of Sunnyvale at a rate of one and one-half (1.5) percent. This would result in no net change in the total sales tax rate. An escrow account was set up for obligations that are still outstanding that include $239,084 in debt service contributions. The government-wide financial statements are on pages 18-19 of this report.

Fund Financial Statements

The fund financial statements provide a more detailed look at the Town's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town of Sunnyvale, like all other governmental entities in Texas, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the General Statutes or the Town's budget ordinance.

All of the funds of the Town of Sunnyvale can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds – Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the Town's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out, and what funds are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting* which provides a short-term spending focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the Towns' programs.

The relationship between government activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Town of Sunnyvale adopts an annual budget for its General Fund, as required by the General Statutes. The budget is a legally adopted document that incorporates input from the citizens of the Town, the management of the Town, and the decisions of the council about which services to provide and how to pay for them. It also authorizes the Town to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well the Town complied with the budget ordinance and whether or not the Town succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statement uses the budgetary basis of accounting and is presented using the same format, language, and classifications as the legal budget document. The statement shows four columns: 1) the original budget; 2) the final budget as amended by the council; 3) the actual resources, charges to appropriations, and ending balances in the General Fund; and 4) the difference or variance between the final budget and the actual resources and charges. Budgetary information required by the General Statutes can also be found in this part of the statements. The Governmental Fund financial statements can be found on pages 20-26 of this report.

Proprietary Funds – The Town of Sunnyvale has one type of proprietary fund which is the Utility Fund. The Town charges customers for the services it provides, whether to outside customers or to other units within the Town. These services are generally reported in proprietary funds. Proprietary Funds are reported in the same way that all activities are reported in the statement of net position and the statement of activities. Proprietary Funds provide the same type of information as the government-wide financial statements, only in more detail. The basic proprietary fund financial statements can be found on pages 24-26 of this report.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are on pages 27-70 of this report.

Required Supplementary Information – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning the Town of Sunnyvale's budgets and progress in funding its obligation to provide pension and other post-employment benefits to its employees. This information is found on pages 72-75.

Supplementary Information – The combining statements referred to earlier in connection with the non-major governmental funds are presented following the required supplementary information on pensions and OPEB. Combining statements and individual fund statements can be found on pages 82-84. Fund financial statements for the component units can be found on pages 85-88.

Statistical Section – The statistical section consists of unaudited information that presents details as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Town's overall financial health. These tables can be found on pages 92-111.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as one useful indicator of a government's financial condition. The net position of the Town exceeded liabilities by$79,460,571 as of September 30, 2022. The Town's net position increased by $14,549,560, for fiscal year ended September 30, 2022. The following table presents a comparative summary of the Town's assets, liabilities, and net position as of September 30, 2022 and 2020.

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Current and Other Assets	$ 26,771,358	$ 30,389,922	$ 14,590,537	$ 12,211,555	$ 41,361,895	$ 42,601,477
Capital Assets	35,628,020	27,748,483	33,832,765	27,391,630	69,460,785	55,140,113
Total Assets	62,399,378	58,138,405	48,423,302	39,603,185	110,822,680	97,741,590
Total deferred outflows of resources	357,039	396,986	74,061	82,343	431,100	479,329
Long-term liabilities outstanding	20,980,450	22,470,217	5,772,116	6,396,117	26,752,566	28,866,334
Other liabilities	3,248,150	2,720,941	1,305,279	1,542,443	4,553,429	4,263,384
Total liabilities	24,228,600	25,191,158	7,077,395	7,938,560	31,305,995	33,129,718
Total deferred inflows of resources	403,533	149,236	83,681	30,955	487,214	180,191
Net position:						
Net investment in capital assets	17,352,038	12,053,906	28,658,820	23,889,533	46,010,858	35,943,439
Restricted	2,567,629	2,868,130	2,612,877	2,416,769	5,180,506	5,284,899
Unrestricted	18,204,617	18,272,961	10,064,590	5,409,711	28,269,207	23,682,672
Total net position	$ 38,124,284	$ 33,194,997	$ 41,336,287	$ 31,716,013	$ 79,460,571	$ 64,911,010

Net investment in capital assets:

58% of the Town's net position or $46,010,858, reflects the Town's investment in capital assets (e.g. land, buildings, machinery and equipment) less any debt still outstanding that was issued to acquire those items. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities.

Restricted net position:

Restricted net position of $5,180,506, or 7%, is subject to external restrictions on how they may be used, or by enabling legislation. The restricted net position is comprised of (a) $70,634 or 0.1%, for development, (b) $148,641 or 0.2% for court use, (c) $615,550, or 1%, for debt service, (d) $1,732,804, or 2% for road improvement maintenance and operation and (e) $2,612,877 or 3% for water infrastructure installation.

Unrestricted net position:

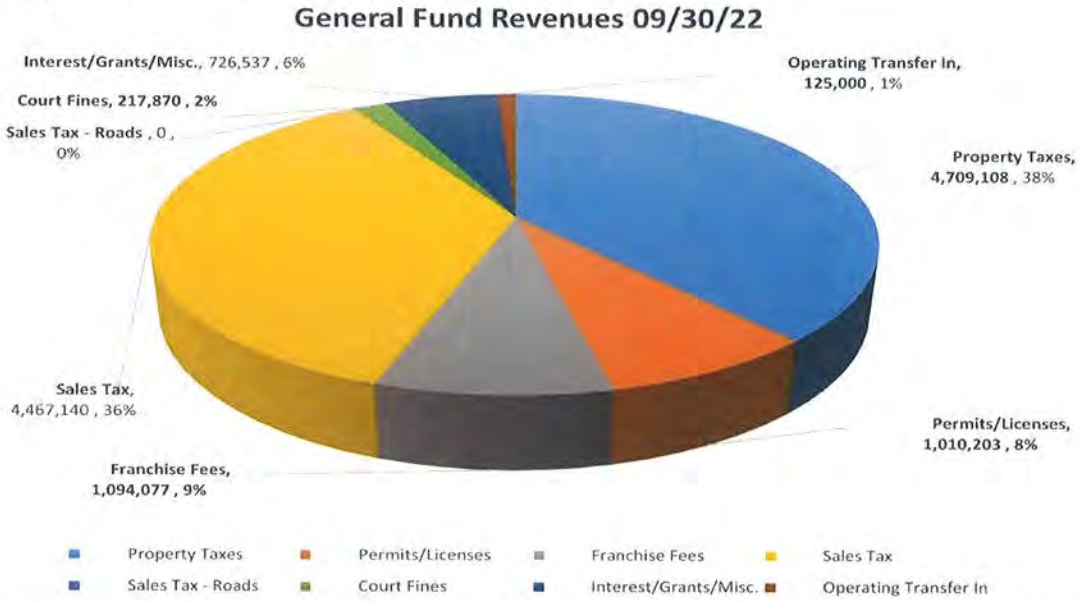
Unrestricted net position in the amount of $28,269,207, or 36%, is available to fund the Town programs to citizens and obligations to creditors.

Governmental-type activities - Governmental-type activities increased the Town's net position by $4,929,286. A key element of this increase is as follows:

Revenue growth, budgetary performance and lower expenses than expected. Revenues increased due to higher taxable property values, higher sales tax receipts and permit revenue from strong commercial and residential construction. Expenses were lower than budgeted for standing up the Sunnyvale Police Department and road maintenance that was delayed due to capacity issues with the Town's inter local partner, Dallas County.

Expenditures and Program Revenues - Governmental Activities (amounts expressed in thousands)

Revenues by Source - Governmental Activities

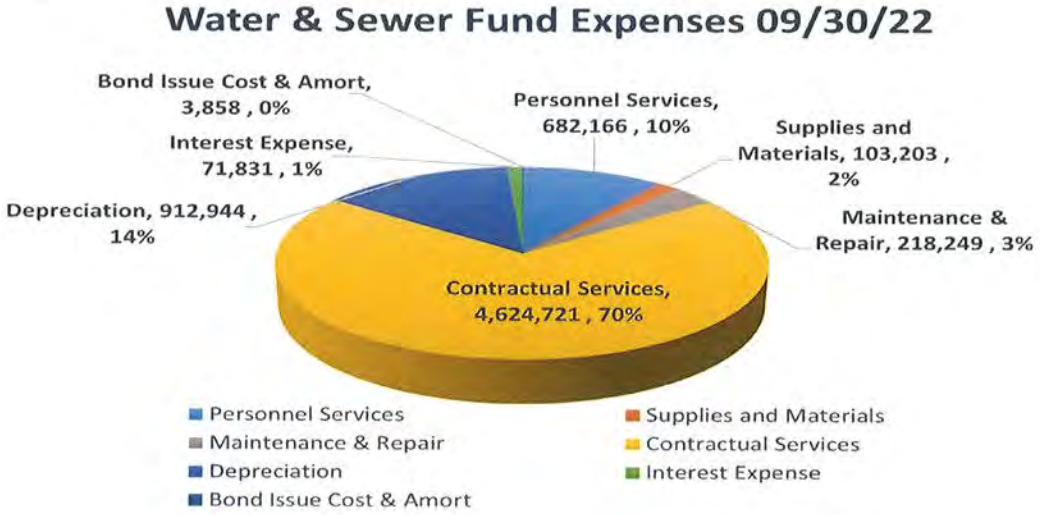


Business-type Activities - Business-type activities increased the Town's net position by $9,620,274.

Revenues and Expenses - Business-type Activities (amounts expressed in thousands)

Revenues by Source - Business-type Activities

Expenses by Source - Business-type Activities


Water & Sewer Fund Expenses 09/30/22
Bond Issue Cost & Amort, 3,858 , 0%
Personnel Services, 682,166 , 10%
Supplies and Materials, 103,203 , 2%
Interest Expense, 71,831 , 1%
Depreciation, 912,944 , 14%
Maintenance & Repair, 218,249 , 3%
Contractual Services, 4,624,721 , 70%
Personnel Services
Supplies and Materials
Maintenance & Repair
Contractual Services
Depreciation
Interest Expense
Bond Issue Cost & Amort

The following table presents a comparative summary of the Town's operations for the years ended September 30, 2022 and 2021.

Changes in Net Position

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program Revenues:						
Charges for services	$ 1,831,040	$ 2,235,639	$ 9,600,592	$ 7,447,753	$ 11,431,632	$ 9,683,392
Operating grants and contributions	1,689,575	2,235,661		-	1,689,575	2,235,661
Capital grants and contributions	-	-	7,246,387	-	7,246,387	-
General Revenues:						
Property taxes	6,635,038	6,316,489	-	-	6,635,038	6,316,489
Franchise taxes	1,094,077	921,852	-	-	1,094,077	921,852
Sales tax	3,998,715	3,037,816	-	-	3,998,715	3,037,816
Investment income	185,302	85,813	35,239	30,679	220,541	116,492
Miscellaneous	204,191	153,390	-	-	204,191	153,390
Total Revenues	15,637,938	14,986,660	16,882,218	7,478,432	32,520,156	22,465,092
Expenses:						
Program Expenses						
General Government	1,588,582	1,960,148	-	-	1,588,582	1,960,148
Public Safety	4,208,619	3,519,019	-	-	4,208,619	3,519,019
Public works	1,785,248	618,776	-	-	1,785,248	618,776
Public Services and operations	2,048,056	2,531,816	-	-	2,048,056	2,531,816
Parks and recreation	734,632	716,260	-	-	734,632	716,260
Library	217,010	214,248	-	-	217,010	214,248
Interest on long-term debt	767,906	765,950	-	-	767,906	765,950
Water and sewer	-	-	6,620,543	6,119,271	6,620,543	6,119,271
Total expenses	11,350,053	10,326,217	6,620,543	6,119,271	17,970,596	16,445,488
Increase (decrease in net position)	4,287,885	4,660,443	10,261,675	1,359,161	14,549,560	6,019,604
Other revenues and financing sources (uses)						
Transfers	641,401	125,000	(641,401)	(125,000)	(0)	-
Total other financing sources (uses)	641,401	125,000	(641,401)	(125,000)	(0)	-
Increase (decrease) in net position	4,929,286	4,785,443	9,620,274	1,234,161	14,549,559	6,019,604
Net position - October 1	33,194,998	28,409,555	31,716,013	30,481,852	64,911,011	58,891,407
Net position - September 30	$ 38,124,284	$ 33,194,998	$ 41,336,287	$ 31,716,013	$ 79,460,570	$ 64,911,011

The Governmental Activities have increased the net position in the current fiscal period by $4,929,286 which is a 15% increase over the prior year. This is due, in large part commercial and residential construction, increase to taxable values and budgetary performance.

The Business-type Activities have increased the net position in the current fiscal year by $9,620,274. This is a 30% increase from the prior year that is due to impact fees due to commercial construction and budgetary performance.

Financial Analysis of the Town's Funds

As noted earlier, the Town of Sunnyvale uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds - The focus of the Town's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. Specifically, the unassigned fund balance may serve as a measure of net resources available for spending at the end of the fiscal year.

As of the close of the current fiscal year, the governmental funds reported combined ending fund balances of $22,642,083, a decrease of $4,993,581, or (18)% , in comparison with the prior year. Of this amount, $7,943,167, or 35%, constitutes unassigned fund balance, which is available for spending at the Town's discretion. The Town has assigned fund balances of $11,899,656, or 53% for the following: 1) $9,444,840, or 79% for capital and infrastructure improvements, 2) $1,003,482, or 8% for vehicle replacements, 3) $1,426,334, or 12.0% for community services. A portion, $2,567,629, or 11%, of the fund balance is restricted to indicate that it is available for spending for the following: 1) $70,634, or 3% for community development, 2) $148,641, or 6% for state imposed restrictions for use of court fees, 3)$615,550 or 24% for debt service requirements, 4) $1,732,804, or 67% for road maintenance and improvements. The remaining fund balance of $231,631 or 1.0% is considered non-spendable and represents prepaid assets.

The general fund is the chief operating fund of the Town of Sunnyvale. At the end of the current fiscal year, unassigned fund balance of the General Fund was $7,943,167. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total expenditures. Unassigned fund represents 76% of total general fund expenditures.

The debt service and capital projects funds are major governmental funds of the Town of Sunnyvale. At the end of the current fiscal year, debt service fund balance increased $174,103 or 39% and capital projects fund balance decreased $3,906,995 or 29.2%.

General Fund Budgetary Highlights: During the fiscal year, the Town made revisions to the budget. Generally, budget amendments fall into one of three categories: (1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; (2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and (3) increases in appropriations that become necessary to maintain services.

Revenues were more than the budgeted amounts, mainly in the areas of licenses and permits, charges for services and intergovernmental revenues. Expenditures were less than budgeted at the fund level.

Proprietary Funds - The Town's proprietary funds provide the same type of information found in the government-wide statements, but in more detail. Unrestricted net position of the proprietary funds at the end of the fiscal year amounted to $10,064,590.

Capital Asset and Debt Administration

Capital assets - The Town of Sunnyvale's investment in capital assets for its governmental and business-type activities as of September 30, 2022, totals $69,460,785 (net of accumulated depreciation). These assets include land, buildings, improvements, infrastructure, machinery and equipment, vehicles, and construction in progress. This amount represents a net increase of $14,320,672, or 25.97%, (net of accumulated depreciation) over the prior fiscal year. Full depreciation of certain assets and annual depreciation.

Capital Assets September 30, 2022 (net of depreciation)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Land	$ 2,610,223	$ 2,610,223	$ 127,225	$ 127,225	$ 2,737,448	$ 2,737,448
Infrastructure	9,573,713	9,233,498	27,305,983	20,709,622	36,879,696	29,943,120
Buildings & Improvements	5,134,867	3,386,181	5,143,595	5,238,235	10,278,462	8,624,416
Machinery & Equipment	1,124,118	1,621,866	1,046,242	1,106,828	2,170,360	2,728,694
Construction in progress	17,185,099	10,896,715	209,720	209,720	17,394,819	11,106,435
Total	$ 35,628,020	$ 27,748,483	$ 33,832,765	$ 27,391,630	$ 69,460,785	$ 55,140,113

More detailed information about the Town's capital assets is presented in Note F to the financial statements.

Long-term obligations - As of September 30, 2022, the Town of Sunnyvale had total long-term debt outstanding of $28,217,097 which is a decrease of $2,220,724, or 7.3%, from the previous year.

Outstanding Debt As of September 30, 2022

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Certificates of Obligation (backed by tax revenues and net Water/Sewer revenues)	$ 15,545,000	$ 15,750,000	$ -	$ -	$ 15,545,000	$ 15,750,000
Tax Notes	2,170,000	2,690,000		-	2,170,000	2,690,000
Refunding Bonds (backed by tax revenues and net Water/Sewer revenues)	3,284,051	3,747,887	6,118,368	6,618,669	9,402,419	10,366,556
Notes payable		-	50,577	59,011	50,577	59,011
Capital Lease	345,415	470,248	-	-	345,415	470,248
Pension Related Debt	153,094	564,904	34,416	119,226	187,510	684,130
Compensated absences	471,253	377,010	44,923	40,866	516,176	417,876
	$ 21,968,813	$ 23,600,049	$ 6,248,284	$ 6,837,772	$ 28,217,097	$ 30,437,821

More detailed information about the Town's long-term obligations is presented in note I to these financial statements.

Requests for Information - This financial report is designed to provide an overview of the Town's finances for those with an interest in the government's finances. If you have any questions about this report or need additional information, contact the Town of Sunnyvale, Attention: Director of Finance at 127 N. Collins Road, Sunnyvale, Texas, call 972-203-4145, or email Finance@townofsunnyvale.org.

BASIC FINANCIAL STATEMENTS

Town of Sunnyvale
STATEMENT OF NET POSITION
SEPTEMBER 30, 2022

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
ASSETS				
Cash and cash equivalents	$ 11,849,547	$ 7,232,907	$ 19,082,454	$ 3,536,360
Receivables (net of allowance for uncollectibles)	710,321	1,190,610	1,900,931	138,769
Internal Balances	(3,520,712)	3,520,712	-	-
Note Receivable	230,900	-	230,900	-
Prepaids	231,631	-	231,631	-
Due from other governments	65	-	65	-
Inventories	-	33,431	33,431	-
Restricted assets:				
Cash and cash equivalents	17,269,606	2,612,877	19,882,483	311,550
Capital assets not depreciated				
Land	2,610,223	127,225	2,737,448	-
Construction in progress	17,185,099	209,720	17,394,819	-
Capital assets (net of accumulated depreciation)				
Infrastructure	9,573,713	27,305,983	36,879,696	-
Buildings	5,134,867	5,143,595	10,278,462	-
Machinery and equipment	1,124,118	1,046,242	2,170,360	-
Total assets	62,399,378	48,423,302	110,822,680	3,986,679
DEFERRED OUTFLOWS OF RESOURCES				
OPEB contributions after measurement date	2,866	595	3,461	108
Changes in OPEB assumptions	22,262	4,621	26,883	835
Pension contributions after measurement date	331,911	68,845	400,756	12,480
Total deferred outflows of resources	357,039	74,061	431,100	13,423
LIABILITIES				
Accounts payable	1,050,615	396,954	1,447,569	47,613
Other Liabilities	1,112,782	48,820	1,161,602	-
Accrued interest payable	96,390	30,842	127,232	-
Due to other governments		-	-	65
Customer Deposits	-	352,495	352,495	-
Noncurrent liabilities:				
Due within one year	988,363	476,168	1,464,531	37,356
Due in more than one year	20,980,450	5,772,116	26,752,566	227,881
Total liabilities	24,228,600	7,077,395	31,305,995	312,915
DEFERRED INFLOWS OF RESOURCES				
Difference in expected and actual OPEB experience	4,059	822	4,881	167
Difference in projected and actual earnings on pension assets	369,935	76,732	446,667	13,909
Difference in expected and actual pension experience	25,901	5,372	31,273	974
Changes in actuarial assumptions used to determine pension liability	3,638	755	4,393	137
Total deferred inflows of resources	403,533	83,681	487,214	15,187
NET POSITION				
Net investment in capital assets	17,352,038	28,658,820	46,010,858	-
Restricted for:				
Development	70,634	-	70,634	-
Municipal court	148,641	-	148,641	-
Debt service	615,550	-	615,550	-
Street Maintenance	1,732,804	-	1,732,804	-
Water infrastructure installation	-	2,612,877	2,612,877	-
Unrestricted	18,204,617	10,064,590	28,269,207	3,672,000
Total net position	$ 38,124,284	$ 41,336,287	$ 79,460,571	$ 3,672,000

The accompanying notes are an integral part of this statement.

Town of Sunnyvale
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2022

Program Activities	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Business-type Activities	Primary Government: Total	Component Units
PRIMARY GOVERNMENT:								
Governmental activities:								
General Government	$ 1,588,582	$ 1,409,679	$ 1,667,204	$ -	$ 1,488,301	$ -	$ 1,488,301	$ -
Public Safety	4,208,619	421,361	6,652	-	(3,780,606)		(3,780,606)	-
Public services and operations	2,048,056	-	-	-	(2,048,056)		(2,048,056)	-
Public Works	1,785,248	-	-		(1,785,248)		(1,785,248)	-
Parks and recreation	734,632	-	-	-	(734,632)		(734,632)	-
Library	217,010	-	15,719	-	(201,291)		(201,291)	-
Interest on long-term debt	767,906	-	-	-	(767,906)		(767,906)	-
Total governmental activities	11,350,053	1,831,040	1,689,575	-	(7,829,438)		(7,829,438)	-
Business-type activities:								
Utility Fund	6,620,543	9,600,592	-	7,246,387		$ 10,226,436	$ 10,226,436	-
Total business-type activities	6,620,543	9,600,592	-	7,246,387		10,226,436	10,226,436	-
Total primary government	$ 17,970,596	$ 11,431,632	$ 1,689,575	$ 7,246,387	(7,829,438)	$ 10,226,436	$ 2,396,998	-
COMPONENT UNITS:								
4A Development Corporation	$ 73,113	$ -	$ -	$ -				$ (73,113)
4B Development Corporation	732,657	-	-	-				(732,657)
Total component units	$ 805,770	$ -	$ -	$ -				$ (805,770)
General revenues:								
Property Taxes					$ 6,635,038	$ -	$ 6,635,038	$ -
Sales taxes					3,998,715	-	3,998,715	1,372,771
Franchise taxes					1,094,077	-	1,094,077	-
Miscellaneous					204,191	-	204,191	-
Investment Income					185,302	35,239	220,541	10,970
Transfers					641,401	(641,401)	-	-
Total general revenues and transfers					12,758,724	(606,162)	12,152,562	1,383,741
Change in net position					4,929,286	9,620,274	14,549,560	577,971
Net position at beginning of year					33,194,998	31,716,013	64,911,011	3,094,029
Net position at end of year					$ 38,124,284	$ 41,336,287	$ 79,460,571	$ 3,672,000

The accompanying notes are an integral part of this statement.

Town of Sunnyvale
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022

	General	Debt Service	Capital Projects	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	$ 11,849,547	$ -	-	$ -	$ 11,849,547
Receivables (net of allowances for uncollectibles)	693,668	8,038	-	8,615	710,321
Internal balances	393,389	-		1,747,970	2,141,359
Note Receivable	230,900	-	-	-	230,900
Prepaids	231,631				231,631
Due from other governments	65	-	-	-	65
Restricted Cash and cash equivalents	-	714,582	13,358,942	3,196,082	17,269,606
Total assets	$ 13,399,200	$ 722,620	$ 13,358,942	$ 4,952,667	$ 32,433,429
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	$ 1,047,221	$ 3,394	-	$ -	$ 1,050,615
Other liabilities	1,112,782	-	-	-	1,112,782
Due to other funds	1,747,969	-	3,914,102	-	5,662,071
Accrued Interest payable	-	96,390	-	-	96,390
Total liabilities	3,907,972	99,784	3,914,102	-	7,921,858
Deferred inflows of resources:					
Unavailable revenue - property taxes	31,973	7,286	-	-	39,259
Unavailable revenue - grants	-	-	-	1,599,329	1,599,329
Unavailable revenue - notes receivable	230,900	-	-	-	230,900
Total deferred inflows of resources	262,873	7,286	-	1,599,329	1,869,488
Fund balances:					
Nonspendable:	231,631	-	-	-	231,631
Restricted for:					
Community Development	-	-	-	70,634	70,634
Municipal Court	-	-	-	148,641	148,641
Street maintenance	-	-	-	1,732,804	1,732,804
Debt Service	-	615,550	-	-	615,550
Assigned For:					
Infrastructure improvements	25,000	-	-	-	25,000
Vehicle Replacement	1,003,482	-	-	-	1,003,482
Community Development	25,075	-	-	1,401,259	1,426,334
Capital improvements	-	-	9,444,840	-	9,444,840
Unassigned:	7,943,167	-	-	-	7,943,167
Total fund balances	9,228,355	615,550	9,444,840	3,353,338	22,642,083
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 13,399,200	$ 722,620	$ 13,358,942	$ 4,952,667	$ 32,433,429

The accompanying notes are an integral part of this statement.

Town of Sunnyvale
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
September 30, 2022

Total fund balances - total governmental funds	$	22,642,083
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore, are not reported in the governmental funds balance sheet.		45,969,747
Accumulated depreciation has not been included in the governmental funds balance sheet.		(10,341,727)
Premiums and discounts on issuance of debt are not recognized on the balance sheet for governmental funds		(1,944,051)
Revenue in the statement of activities that do not provide current financial resources are not in the fund financial statements		1,869,488
Deferred inflow/outflow of resources for pension and OPEB are not reported in the fund financial statements.		(46,494)
Long-term liabilities, including bonds payable, are not due and payable in the current period and; therefore are not reported in the funds.		(19,400,415)
Net pension liability is not due and payable in the current period and, therefore, is not rported in the fund financial statements.		(19,755)
Net OPEB liability is not due and payable in the current period and, therefore, is not reported in the fund financial statements.		(133,339)
Accrued liabilities for compensated absences are not reflected in the fund financial statements.		(471,253)
Net position of governmental activities-statement of net position	$	38,124,284

The accompanying notes are an integral part of this statement.

Town of Sunnyvale
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	General	Debt Service	Capital Projects	Other Governmental Funds	Total Governmental Funds
Revenues:					
Property Taxes	$ 4,709,108	$ 1,925,930	$ -	$ -	$ 6,635,038
Franchise taxes	1,094,077	-	-	-	1,094,077
Sales tax collected	3,998,715	-	-	-	3,998,715
Fines and Forefeitures	217,870	-	-	-	217,870
Impact fees	-	-	-	399,476	399,476
Licenses and permits	1,010,203	-	-	-	1,010,203
Charge for Services	203,491	-	-	-	203,491
Intergovernmental-state & local	287,907	36,824	1,250,000	-	1,574,731
Investment Income	60,607	-	98,015	26,680	185,302
Donation-Library	-	-	-	15,719	15,719
Grant Revenue	-	-	-	99,125	99,125
Miscellaneous	174,532	-	-	29,659	204,191
Total revenues	11,756,510	1,962,754	1,348,015	570,659	15,637,938
Expenditures:					
Current:					
General Government	1,806,167	-	-	-	1,806,167
Public Safety	4,445,193	-	-	-	4,445,193
Public works	1,440,039	-	-	-	1,440,039
Public Services and operations	1,014,841	-	-	1,033,215	2,048,056
Parks and recreation	619,169	-	-	-	619,169
Library	217,010	-	-	-	217,010
Total current	9,542,419	-	-	1,033,215	10,575,634
Capital outlay:					
General Government	547,789	-	-	-	547,789
Public works	-	-	8,033,440	-	8,033,440
Public Safety	319,620	-	-	-	319,620
Total capital outlay	867,409	-	8,033,440	-	8,900,849
Debt service:					
Principal retirement	-	1,075,000	-	-	1,075,000
Interest and fiscal agent fee	-	733,481	-	7,168	740,649
Issuance cost of tax note	-	27,257	-	-	27,257
Total debt service	-	1,835,738	-	7,168	1,842,906
Total expenditures	10,409,828	1,835,738	8,033,440	1,040,383	21,319,389
Excess (deficiency) of revenues over (under) expenditures	1,346,682	127,016	(6,685,425)	(469,724)	(5,681,451)
Other financing sources (uses):					
Transfers in	125,000	7,786	2,778,430	-	2,911,216
Transfers out	(1,778,430)	-	-	(491,385)	(2,269,815)
Bonds issued	-	1,135,000	-	205,000	1,340,000
Premium on bonds issued	-	138,602	-	24,937	163,539
Payment to refunded bond escrow agent	-	(1,234,301)	-	(222,769)	(1,457,070)
Total other financing sources (uses)	(1,653,430)	47,087	2,778,430	(484,217)	687,870
Net change in fund balances	(306,748)	174,103	(3,906,995)	(953,941)	(4,993,581)
Fund balances at beginning of year	9,535,103	441,447	13,351,835	4,307,279	27,635,664
Fund balances at end of year	$ 9,228,355	$ 615,550	$ 9,444,840	$ 3,353,338	$ 22,642,083

The accompanying notes are an integral part of this statement.

Town of Sunnyvale

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED SEPTEMBER 30, 2022

Net change in fund balances - governmental funds	$ (4,993,581)
Amounts reported for governmental activities in the statement of activities are different because:	
Current year capital outlays are expenditures in the fund financial statements but these are shown as an increase in capital assets	9,579,299
Depreciation is not recognized as an expense in governmental funds since it does not require the use of current financial resources. The effect of recording the current year's depreciation is to decrease net position.	(1,180,297)
Current year long-term debt principal payments are expenditures in the fund financial statements but are shown as a reduction in long term debt in the government-wide financial statements.	2,532,070
The issuance of long-term debt (e.g. bond proceeds) provides current financial resources to governmental funds not reported as revenue in the statement of activities	(1,503,539)
Bond premiums are recognized as an other financing source in the governmental funds, whereas premiums and discounts are deferred and amortized over the life of the bonds in the statement of activities.	168,836
Changes in net pension and OPEB liability are not shown in the fund financial statements.	420,741
Changes in compensated absences are not shown in the fund financial statements	(94,243)
Change in net position - statement of activities	$ 4,929,286

The accompanying notes are an integral part of this statement.

Town of Sunnyvale
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2022

	Business-type Activities Utility Fund
ASSETS	
Current assets:	
Cash and cash equivalents	$ 7,232,907
Restricted cash and cash equivalents	2,612,877
Receivables (net of allowances for uncollectibles):	1,190,610
Internal balances	3,520,712
Total current assets	14,557,106
Noncurrent assets:	
Inventory	33,431
Capital assets:	
Land	127,225
Construction in progress	209,720
Infrastructure	34,811,198
Buildings	6,720,279
Machinery and equipment	1,788,883
Less: Accumulated Depreciation	(9,824,540)
Total capital assets, net of accumulated depreciation	33,832,765
Total noncurrent assets	33,866,196
Total Assets	48,423,302
DEFERRED OUTFLOW OF RESOURCES	
OPEB contributions after measurement date	595
Changes in OPEB assumptions	4,621
Pension contributions after measurement date	68,845
Total Deferred Outflow of Resources	74,061
LIABILITIES	
Current liabilities:	
Accounts payable	396,954
Other Liabilities	48,820
Payables from restricted assets:	
Customer deposits	352,495
Accrued interest payable	30,842
Notes payable- current	8,434
Bonds Payable- current	467,734
Total Current liabilities	1,305,279
Noncurrent liabilities:	
Compensated absences	44,923
Net Pension liability	4,099
Net OPEB liability	30,317
Notes payable	42,143
Bonds payable	5,650,634
Total noncurrent liabilities	5,772,116
Total Liabilities	7,077,395
DEFERRED INFLOW OF RESOURCES	
Difference in expected and actual OPEB experience	822
Difference in projected and actual earnings on pension assets	76,732
Difference in expected and actual pension experience	5,372
Changes in actuarial assumptions used to determine pension liability	755
Total Deferred Inflow of Resources	83,681
Net Position	
Invested in capital assets, net of related debt	28,658,820
Restricted for:	
Water infrastructure installation	2,612,877
Unrestricted	10,064,590
Total Net Position	$ 41,336,287

The accompanying notes are an integral part of this statement.

Town of Sunnyvale
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Business-type Activities Enterprise Fund Water and Sewer
OPERATING REVENUES:	
Charges for Sales and services:	
Water Sales	$ 5,905,618
Sewer Sales	2,770,055
Garbage collection fees	544,411
Total operating revenues	9,220,084
OPERATING EXPENSES:	
Personnel services	682,166
Supplies and materials	103,203
Maintenance and repair	218,249
Contractual services	4,624,721
Depreciation	912,944
Total operating expenses	6,541,283
Operating Income (Loss)	2,678,801
NON-OPERATING REVENUES (EXPENSES):	
Investment Income	35,239
Impact Fees	380,508
Interest expense	(71,831)
Bad debt expense	(3,858)
Total non-operating revenues (expenses)	336,487
Income before capital contributions and transfers	3,015,288
Capital contributions	7,246,387
Transfers in	28,966
Transfers out	(670,367)
Total transfers and capital contributions	6,604,986
Change in net position	9,620,274
Net position, October 1	31,716,013
Net position, September 30	$ 41,336,287

The accompanying notes are an integral part of this statement.

TOWN OF SUNNYVALE, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Business-type Activities Utility Fund Water and Sewer
Cash Flows from Operating Activities:	
Cash received from customers	$ 9,147,582
Cash paid to employees	(689,418)
Cash paid for goods and services	(5,255,818)
Net cash provided (used) by operating activities	3,202,346
Cash Flows from Non-Capital Financing Activities:	
Transfers (to) from other funds	(18,881)
Impact fees	380,508
Net cash provided (used in) by non-capital financing activities	361,627
Cash Flows from Capital and Related Financing Activities:	
Acquisition or construction of capital assets	(107,692)
Interest and fiscal charges on debt	(71,831)
Proceeds from capital debt	1,115,423
Bond issue costs	(7,429)
Principal payments on bonds	(1,624,159)
Net cash provided (used in) capital and related financing activities	(695,688)
Cash Flows from Investing Activities:	
Investment income	35,239
Net cash provided by (used in) investing activities	35,239
Net increase (decrease) in cash and cash equivalents	2,903,524
Cash and cash equivalents, October 1	6,942,259
Cash and cash equivalents, September 30	$ 9,845,783
Classified as:	
Current	$ 7,232,907
Restricted	2,612,877
	$ 9,845,784
Noncash disclosures:	
Premium Amortization	(3,571)
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:	
Operating Income (loss)	$ 2,678,801
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation	912,944
Change in Assets and Liabilities:	
(Increase) decrease in assets:	
Receivables	(97,977)
Increase (decrease) in liabilities:	
Accounts payable	(285,843)
Accrued expenses	(7,252)
Customer deposits	25,475
Pension liability	(26,619)
OPEB liability	2,817
Total adjustments	523,545
Net cash provided (used in) by operating activities	$ 3,202,346

The accompanying notes are an integral part of this statement.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Sunnyvale ("Town") is a municipal corporation governed by an elected mayor and a six-member Council. The Town provides the following services to the citizens of the Town as authorized by its charter: public safety (police and fire), public works, parks and recreation, water and sewer utilities, and general administrative services.

The accounting and reporting policies of the Town relating to the funds included in the accompanying basic financial statements conform to accounting principles generally accepted in the United States of America ("GAAP") applicable to the state and local governments. Generally accepted accounting principles for local government include those principles prescribed by the Governmental Accounting Standards Board ("GASB"), the American Institute of Certified Public Accountants in the publication entitled *State and Local Governments-Audit and Accounting Guide.* The more significant accounting policies of the Town are described below:

1. Reporting Entity

The Town is a municipal corporation governed by an elected mayor and six-member Council and has the authority to make decisions, appoint administrators and managers, and significantly influence operations. It also has the primary accountability for fiscal matters. Therefore, the Town is a financial reporting entity as defined by GASB Statement No. 14, "The Financial Reporting Entity," as amended by GASB Statement No. 39, "Determining Whether Certain Organizations are Component Units."

Under GASB Statement No. 14, component units are organizations for which the Town is financially accountable and all other organizations for which the nature and significance of their relationship with the Town are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Financial accountability exists if the Town appoints a voting majority of an organization's governing board and is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the Town. The Town may be financially accountable for governmental organizations with a separately elected governing board, a governing board appointed by another government, or a jointly appointed board that is fiscally dependent on the Town. The financial statements of the component units may be discretely presented in a separate column from the primary government, or blended with the financial statements of the primary government. GASB Statement No. 39 added clarification to GASB Statement No. 14 by including entities which meet all three of the following requirements:

1. The economic resources received or held by the separate organization are entirely for the direct benefit of the primary government, its component units, or its constituents;
2. The primary government, or its component units, is entitled to, or has the ability to otherwise access a majority of the economic resources received or held by the separate organization;
3. The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to other access, are significant to the primary government.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

1. Reporting Entity (continued)

The financial statements of the following component unit has been "discretely presented" within the accompanying report because (i) their governing boards are not substantially the same as the governing body of the Town, or (ii) the component units provide services entirely or almost entirely to the citizenry.

Discretely presented component units. The Town has one discretely presented component unit, the 4B Economic Development Corporation. The component unit described below is included in the Town's reporting entity because the Town appoints the governing body and the Corporation is fiscally dependent on the Town. To emphasize that the component unit is legally separate from the Town, it is reported in a separate column within the financial statements. Fund information for the component unit can be found in the supplementary information in this report. There are no separate financial statements issued for the component unit.

The Sunnyvale 4B Development Corporation is responsible for collecting and disbursing the one-half of one percent sales tax to be used for economic incentives, and development and improvement in the quality of life for its citizens. The members of the Corporation's board serve at the pleasure of the Town Council.

In addition, GASB Statement No. 61 considers an organization that does not meet the financial accountability criteria to be included as a component unit if management's professional judgment determines it to be necessary and misleading if it were to be omitted. This evaluation includes consideration of whether a financial benefit or burden exists in the relationship between the entities. Management has not identified any additional organizations that fit this criteria.

2. Basis of Presentation, Basis of Accounting

The basic financial statements are prepared in conformity with GASB Statement No. 34 which requires that the government-wide financial statements to be prepared using the accrual basis of accounting, and the economic resources measurement focus. Government-wide financial statements do not provide information by fund, but distinguish between the Town's governmental activities and business-type activities on the statement of net position and statement of activities. Significantly, the Town's statement of net position includes both noncurrent assets and noncurrent liabilities. In addition, the government-wide statement of activities reflects depreciation expense on the Town's capital assets, including infrastructure.

In addition to the government-wide financial statements, the Town has prepared fund financial statements, which use the modified accrual basis of accounting and the current financial resources measurement focus for the governmental funds. The accrual basis of accounting is utilized by proprietary funds. Under this method, revenues are recorded when earned, and when expenses are recorded at the time liabilities are incurred.

Management's Discussion and Analysis includes an analytical overview of the Town's financial activities. In addition, a budgetary comparison statement is presented that compares the original adopted and final amended budget with actual results for the General Fund.

The basic financial statements include both government-wide, based on the Town as a whole, and fund financial statements. The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all activities of the primary government and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely on fees and charges for support.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

2. Basis of Presentation, Basis of Accounting (continued)

The government-wide statement of activities demonstrates the degree to which the direct expenses of a functional category (police, fire, public works, etc.) or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or program. Program revenues include: a) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or program, b) grants and contributions that are restricted to meeting the operational requirements of a particular function or program, or c) grants and contributions that are restricted to meeting the capital requirements of a particular function or program. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The net cost, by function or business-type activity, is normally covered by general revenue (property and sales taxes, franchise taxes, and interest income).

Separate fund financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds, and major individual proprietary funds are reported as separate columns within the funds financial statements. The major governmental funds are the General Fund the Debt Service Fund and the Capital Projects Fund. The major proprietary fund is the Utility Fund. GASB Statement No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues, or expenditures/expenses of either fund category for the governmental and proprietary combined) for the determination of major funds. The nonmajor funds are combined in a separate column within the fund financial statements. With the adoption of GASB Statement No. 63, the presentation of deferred inflows/outflows is included in this calculation.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principle operating revenues of the Utility Fund are charges to customers for sales and services. The Utility Fund also recognizes, as operating revenue, the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for proprietary funds include the costs of sales and service, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting the definition are reported as nonoperating revenues and expenses.

The government-wide focus is more on the sustainability of the Town as an entity, and the change in aggregate financial position resulting from the activities of the fiscal period. The focus of the fund financial statements is on major individual funds of the governmental and proprietary categories. Each presentation provides valuable information that can be analyzed and compared to enhance the usefulness of the information.

3. Measurement Focus

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts, and reported within the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide financial statements are reported using the economic resources measurement focus, and the accrual basis of accounting, as are the proprietary fund financial statements. The economic resources measurement focus means all assets and liabilities, (whether current or noncurrent), are included on the

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

3. Measurement Focus (continued)

statement of net position, and the operating statements present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized when earned, including unbilled water and sewer services which are accrued. Expenses are recognized at the time the liability is incurred, regardless of the timing of cash flows.

Governmental fund level financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter, to pay liabilities of the current period. For this purpose, the government considers revenues to be available when they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due and payable shortly after year end, as required by GASB Interpretation No. 6.

Ad valorem, franchise, and sales tax revenues recorded in the General Fund, and ad valorem tax revenues recorded in the Debt Service Fund, are recognized under the susceptible to accrual concept. Licenses and permits, charges for services, fines and forfeitures, contributions, and miscellaneous revenues are recorded as revenues when received in cash, as the resulting receivable is not measurable. Investment earnings are recorded as earned since they are measurable and available. In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the individual programs are used as guidance. Intergovernmental grant revenues are recognized when all eligibility requirements have been met.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, and then unrestricted resources as needed.

Governmental funds are those through which most governmental functions of the Town are financed. The acquisition, use and balances of the Town's expendable financial resources, and the related liabilities, except those accounted for in proprietary funds, are accounted for through governmental funds. The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The following is a description of the Town's major governmental funds:

The ***General Fund*** is the general operating fund of the Town. It is used to account for all financial resources, except those required to be accounted for in another fund. All general tax revenues, and other receipts that are not restricted by law or contractual agreement to some other fund, are accounted for in this fund. General operating expenditures, fixed charges, and capital improvements costs, that are not paid through other funds, are paid from this fund.

The ***Debt Service Fund*** accounts for the accumulation of resources for the payment of principal, interest, and related cost on long term obligation debt of governmental funds.

The ***Capital Projects Fund*** accounts for the accumulation of resources used for the acquisition and/or construction of capital facilities of the Town except for those financed by proprietary funds.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

3. Measurement Focus (continued)

Proprietary funds are accounted for on a flow of economic resources measurement focus. Within the economic measurement focus, all assets and all liabilities associated with the operation of these funds are included on the statement of net position. Proprietary fund-type operating statements present increases, (e.g., revenues), and decreases, (e.g., expenses), in net position. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and providing and delivering goods in connection with a proprietary fund's principle ongoing operations. The principal operating revenues of the Town's water and sewer services are charges to customers for sales and services. Operating expenses for the proprietary fund include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses, not meeting this definition, are reported as nonoperating revenues and expenses. The following is a description of the proprietary fund:

The ***Utility Fund*** accounts for the activities of trash collection, and water and wastewater operations, that are intended to be self-supporting on a user charge basis.

4. Financial Statement Amounts

a. Cash and Cash Equivalents

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits, certificates of deposit, and short-term investments with original maturities of one year or less from the date of acquisition.

b. Inventories

Inventories are valued using the first-in/first-out ("FIFO") method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

c. Receivable and Payable Balances

All trade and property tax receivables are shown net of an allowance for un-collectibles.

Short-term advances between funds are accounted for in the appropriate interfund receivable and payable accounts, and are reported as Internal Balances.

Legally authorized transfers are treated as transfers, and are included in the results of operations of both governmental and proprietary funds.

d. Restricted Assets

Assets are reported as restricted when limitations on their use change the nature of normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments, or are imposed by law, through constitutional provisions or enabling legislation. Restricted assets in the proprietary fund represent cash and cash equivalents, and investments set aside for repayment of customer's water/sewer deposits, impact fees, and various bond covenants.

Impact fees are the capital recovery fees that are, by law, restricted to the projects these funds may be used to support.

Customer deposits received for water and sewer services are, by law, to be considered restricted assets. These activities are included in the Utility Fund.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

4. Financial Statement Amounts (continued)

e. Capital Assets

Capital assets, which include land, buildings, equipment, and improvements, purchased or acquired, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and proprietary fund financial statements. The Town defines capital assets as assets with an initial individual cost of more than $5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost, if historical cost is not available. Contributed assets are recorded at acquisition value as of the date donated. Additions, improvements, and other capital outlays, that significantly extend the useful life of an asset, are capitalized. Other costs incurred for repairs and maintenance are expensed.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Net interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. No interest was capitalized during the current fiscal year.

Management elected not to retroactively report infrastructure assets within the scope of GASB 34.

Capital assets are being depreciated using the straight-line method over the following estimated useful lives:

Asset Class	Years
Buildings	40 years
Building Improvements	10-40 years
Machinery & Equipment	3-5 years
Infrastructure	40-50 years
Vehicles/Apparatus	10-15 years

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

4. Financial Statement Amounts (continued)

f. Deferred outflows/inflows of resources

In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. The separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expenses/expenditures) until then. The Town only has two items that qualify for this type of reporting. It is the deferred charge on refunding debt reported in the government-wide statement of net position, and on the utility operations fund statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt, and its reacquisition price. This amount is deferred and amortized over the life of the refunded debt. The Town's pension plan contributions made from the measurement date of the pension plan to the current fiscal year end are deferred and will be recognized in the subsequent fiscal year end. Also, the difference between projected and actual investment earnings are amortized as a component of pension expense over a five-year period beginning with the period in which the difference occurred.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources,* represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Town has three items that qualify for reporting in this category. Accordingly, the item, *unavailable revenue* is reported in the governmental funds balance sheet. Deferred revenue from property taxes is shown as a deferred inflow of resource. The amount is deferred and recognized as inflows of resources in the period that the amounts become available. Deferred revenue from the receivable from 4A is shown as a deferred resource. The amount is deferred and recognized as inflows of resources in the period that the amounts become available. As a component of implementing GASB Statement No. 68, and GASB Statement No. 75, a deferred inflow is recorded in the government-wide statement of net position and within the separate financials for the proprietary statement of net position, for the difference in projected and actual experience in the actuarial measurement of the total pension liability not recognized in the current year. The amount is deferred and amortized over a period of years determined by the Plan actuary. The differences are amortized over the average remaining service life of all participants in the respective pension plan and recorded as a component of pension expense beginning with the period in which they are incurred.

g. Compensated absences

It is the government's policy to permit employees with at least six months of continuous service to accumulate earned but unused vacation pay benefits, not to exceed two times the rate of the employees' annual rate of accrual based on years of service. It is the Town's policy to pay all vacation leave and compensatory time (for non-exempt employees) regardless of whether the termination was voluntary or involuntary. All sick and vacation pay is accrued when incurred within the government-wide and proprietary fund financial statements. As such, there is an accrual at the close of the fiscal year in the government-wide and proprietary fund financial statements for the amount due to all employees as of September 30, 2022. No unused holiday leave will be paid out upon termination of employment.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

4. Financial Statement Amounts (continued)

h. Pension Plan

In government-wide financial statements, retirement plans (pension) are required to be recognized and disclosed using the accrual basis of accounting regardless of the amounts recognized as pension expenditures.

In general, the Town recognizes a net pension liability, which represents the Town's proportionate share of the excess of the total pension liability over the fiduciary net position of the pension reflected in the actuarial report provided by the Texas Municipal Retirement System ("TMRS"). The net pension liability is measured as of December 31, 2020. Changes in the net pension liability are recorded as pension expense, or as deferred inflows of resources, or deferred outflows of resources, depending on the nature of the change. The changes in net pension liability that is recorded as deferred inflows of resources, or deferred outflows of resources, (that arise from changes in actuarial assumptions or other inputs and differences between expected or actual experience), is amortized over the weighted average remaining service life of all participants, and are recorded as a component of pension expense beginning with the period in which it is incurred.

For purposes of measuring the net pension liability, and deferred inflows/outflows of resources, relating to pension expense, information about the fiduciary net position of the Town's pension plan with TMRS, and additions/deductions from the plan's fiduciary net position, have been determined on the same basis as they are reported by TMRS. For this purpose, benefit payments, including refunds of employee contributions, are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Projected earnings on pension investments are recognized as a component of pension expense. Differences between projected and actual investment earnings are reported as deferred inflows of resources, or deferred outflows of resources, and will be amortized as a component of pension expense on a closed basis over a five-year period beginning with the period in which the difference occurred. Each subsequent year will incorporate an additional closed five-year period of recognition.

i. Long-term Obligations

In the government-wide financial statements, and proprietary fund types within the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds on a straight-line basis. The Town has compared this method to the effective interest method and found the difference between the two methods to be immaterial. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed in the year they are incurred.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

4. Financial Statement Amounts (continued)

Within the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

j. Net Position Flow Assumption

Sometimes the Town will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted-net position and unrestricted-net position within the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Town's policy to consider restricted-net position to have been depleted before unrestricted-net position is applied.

k. Fund Balance Policies

In the fund financial statements, governmental funds report reservations of fund balance as non-spendable, restricted, committed, assigned, or unassigned based primarily on the extent to which the Town is bound to honor constraints on how specific amounts can be spent.

•*Non-spendable fund balance* - includes the portion of net resources that cannot be spent because of its form (i.e., inventory, long-term loans, or prepaids), or because they must remain intact.

- *Restricted fund balance* - includes the portion of net resources on which limitations are imposed by creditors, grantors, contributors, or by laws or regulations of other governments (i.e. externally imposed limitations). Amounts can be spent only for the specific purposes stipulated by external resource providers, or as allowed by law through constitutional provisions or enabling legislation.

- *Committed fund balance* - includes the portion of net resources that can only be used for a specific purpose, determined by a resolution or ordinance of the Town Council, and that remains binding unless removed in the same manner. The resolution must be approved before the commitment will be reflected on the financial statements.

- *Assigned fund balance* - includes the portion of net resources for which an *intended* use has been established by the Town Council or the Town Manager. Assignment of fund balance is much less formal than commitments, and do not require formal action for their imposition or removal. In governmental funds, other than the General Fund, assigned fund balance represents the amount that is not restricted or committed, which indicates that resources are, at a minimum, intended to be used for the purpose of that fund, as directed by the Town Council, or the Town Manager.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

4. Financial Statement Amounts (continued)

- *Unassigned fund balance* - includes the amounts within the General Fund in excess of what can properly be classified in one of the other categories of fund balance. It is the residual classification of the General Fund, and includes all amounts not contained in other classifications. Unassigned amounts are technically available for any purpose. Negative residual amounts for all other governmental funds are reported in this classification.

Fund balances of governmental funds are reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The government itself can establish limitations on the use of resources through either a commitment, committed fund balance, or an assignment, assigned fund balance.

The purpose of the Town's fund balance policy is to maintain a prudent level of financial resources to protect against reducing service levels or raising taxes and fees because of temporary revenue shortfalls or unprecedented one-time expenditures.

It is the long-term goal of the Town to maintain a minimum unassigned fund balance in the general fund equivalent to no less than 66% of operating expenses. The Town is currently in compliance with this policy, with an unassigned fund balance at 77% of operating expenditures.

l. Fund Balance Flow Assumption

Sometimes the Town will fund outlays for a particular purpose from both restricted and unrestricted resources, the total of committed, assigned and unassigned fund balance. In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance within the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Town's policy to consider any restricted fund balance to have been depleted before using any component of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

m. Federal and State Grants

Grants and shared revenues are generally accounted for within the fund financed.

n. Comparative Data

Comparative total data for the current year to budget have been presented within the supplementary section of the financial statements in order to provide an understanding of budgeted to actual results.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

4. Financial Statement Amounts (continued)

o. Property Taxes

The Town's property tax is levied each October 1, on the assessed value listed as of the prior January 1, for all real and personal property. Appraised values are established by the Dallas Central Appraisal District as market value and assessed at 100% of appraised value. Property taxes attach as an enforceable lien on property as of January 1. The Dallas County Appraisal District bills for the property taxes, which are due October 1. Full payment must be made prior to the next January 31, to avoid penalty or interest charges. Over time, substantially all property taxes are collected. Revenues are recognized as ad valorem taxes are collected. Additional delinquent property taxes estimated to be collectible within 60 days following the close of the fiscal year have been recognized as a revenue at the fund level.

In Texas, county-wide central appraisal districts are required under the Property Tax Code to assess all property within the appraisal district on the basis of 100% of its market value, and are prohibited from applying any assessment ratios. The value of property within the appraisal district must be reviewed every five years; however, the Town may, at its own expense, require annual reviews of appraisal values. The Town may challenge appraised values established by the appraisal district through various appeals, and, if necessary, take legal action. Under this legislation, the Town continues to set tax rates on Town property. However, if the adopted tax rate is above the voter approval tax rate, but below the de minimis rate, qualified voters of the Town may petition for an election per the Senate Bill 2, 86th Legislative Session that made several significant changes to the truth-in-taxation process.

For the fiscal year ended September 30, 2022, the Town had a tax rate of $.4530 per $100 assessed values.

p. Interfund Activity

Interfund activity results from loans, services provided, reimbursements or transfers between funds. Loans are reported as interfund receivables and payables, as appropriate, and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers In, and Transfers Out, are netted, and presented as a single "Transfers" line on the government-wide statement of activities. Similarly, interfund receivables and payables are netted and presented as a single "Internal Balances" line on the government-wide statement of net position.

q. Use of Estimates

The preparation of financial statements in conformity with GAAP requires the use of management's estimates.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

4. Financial Statement Amounts (continued)

r. Program Revenues

Certain revenues such as charges for services and impact fees are included in program revenues.

s. Program Expenses

Certain indirect costs, such as administrative costs, are included in the program expense reported for individual functional activities.

B. COMPLIANCE AND ACCOUNTABILITY

1. Finance-Related Legal and Contractual Provisions

In accordance with GASB Statement No. 38, "Certain Financial Statement Note Disclosures," violations of finance-related legal and contractual provisions, if any, are reported below, along with actions taken to address such violations:

Violation	Action Taken
None	N/A

2. Deficit Fund Balance or Fund Net Position of Individual Funds

Following are funds having deficit fund balances or fund net position at year end, if any, along with remarks which address such deficits: None.

3. Budgets and Budgetary Accounting

The Town adopts an "appropriated budget" of several of the governmental funds by department. The Town is required to present the adopted and final amended budget for both revenues and expenditures. The Town compares the final amended budget to actual revenues and expenditures.

The following procedures are followed in establishing the budgetary data:

- The Town Manager shall submit a proposed budget containing a complete financial plan for each fiscal year. Such budget shall be submitted to the Town Council not more than one hundred twenty (120) days, but not less than sixty (60) days, prior to the beginning of each fiscal year.
- The General Fund is legally required to have an adopted budget, and is included in the basic financial statements. The Town Manager shall submit a five-year Capital Improvement Program as an attachment to the annual budget. The Program shall include a list of all capital improvements that are proposed for the five fiscal years succeeding the budget year; cost estimates, method of financing, and recommended time schedules for each improvement; and the estimated annual cost of operating and maintaining the facilities to be constructed or acquired. The information may be revised and extended each year with regard to the capital improvements still pending, or in process of construction or acquisition.

B. COMPLIANCE AND ACCOUNTABILITY (continued)

3. Budgets and Budgetary Accounting (continued)

- The Town Council shall publish a notice for a public hearing on the budget in accordance with State Law.

- After the public hearing, the Town Council may adopt the budget with or without amendment. In amending the budget, the Town Council may add or increase programs or amounts and may delete or decrease any programs or amounts, except expenditures required by law, or for debt service.

- On or before the 20th day of the last month of the fiscal year currently ending, the Town Council shall adopt the budget by an affirmative vote of a majority of the members of Town Council then qualified and serving. If the Town fails to adopt the budget by this date, the amounts appropriated for current operation for the current fiscal year shall be deemed adopted for the ensuing fiscal year on a month-to-month basis, with all items in it prorated accordingly, until such time as the Town Council adopts a budget for the ensuing fiscal year. Adoption of the budget shall constitute appropriations of the amounts specified therein as expenditures from the funds indicated and shall constitute a levy of the property tax therein proposed.

- Under conditions which may arise, and which could not have been foreseen in the normal process of budget preparation, the Town Council may, by an affirmative action vote of a majority of the members of the Town Council, then qualified and serving, amend the budget. Such amendments shall be by ordinance.

C. CASH AND INVESTMENTS

The Town's funds are required to be deposited and invested under the terms of a depository contract and investment policy pursuant to state statute. The depository bank deposits for safekeeping and trust with the Town's agent approved pledged securities authorized by Chapter 2257, "Collateral for Public Fund of the Government Code", in an amount sufficient to protect the Town funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository banks' dollar amount of Federal Deposit Insurance Corporation ("FDIC").

Cash Deposits

At September 30, 2022, the carrying amount of the Town's deposits (cash, certificates of deposit, and interest-bearing savings accounts included in temporary investments) was $42,811,448 and the bank balance was $38,523,704. The Town's cash deposits at September 30, 2022 and during the year ended September 30, 2022, were entirely covered by FDIC insurance or by pledged collateral held by the Town's agent bank in the Town's name.

C. CASH AND INVESTMENTS (continued)

Cash and investments as of September 30, 2022 consist of and are classified in the financial statements as follows:

Statement of net position:

	Carrying Value
Primary Government	
Cash and cash equivalents	$ 19,082,454
Restricted assets-cash and cash equivalents	19,882,483
Total cash and cash equivalents	38,964,937
Governmental- Restricted Cash	
Community Services	70,634
Road Maintenance and improvements	1,732,804
Debt service	714,582
Capital Projects	13,358,942
4 A General	1,392,644
Total Governmental	17,269,606
Business-type- Restricted Cash	
Water Infrastructure Installation	2,612,877
Total Business-type	2,612,877
Total Restricted cash	$ 19,882,483

Investments

The Public Funds Investment Act ("Act") (Government Code Chapter 2256) requires the Town to have an annual audit of investment practices. Audit procedures in this area conducted as a part of the audit of the general purpose financial statements disclosed that in the areas of investment practices, management reports, and establishment of appropriate policies, the Town adhered to the requirements of the Act. Additionally, investment practices of the Town were in accordance with local policies.

Currently, all of the Town's investments are with TexSTAR. TexSTAR is administered by First Southwest Asset Management Inc. and JP Morgan Chase. Together, these organizations bring to the TexSTAR program the powerful partnership of two leaders in financial services with a proven track record in local government investment pool management. TexSTAR is a local government investment cooperative created under the Interlocal Cooperation Act, specifically tailored to meet Texas state and local government investment objectives of preservation of principal, daily liquidity, and competitive yield. The fund is rated AAAm by Standard & Poor's. A request for TexSTAR's financial statement can be made at www.TexStar.org.

C. CASH AND INVESTMENTS (continued)

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of a failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Consistent with the requirements of the Public Funds Collateral Act, it is the policy of the Town to require full collateralization of all Town investments and funds on deposit with a depository bank, other than investments which are obligations of the U.S. government and its agencies and instrumentalities.

In order to anticipate market changes and provide a level of security for all funds, it is the Town's policy that the market value of investments securing the deposit of funds shall be at least equal to or not less than 102% of the amount of the deposit of funds, reduced to the extent that the deposits are insured by the FDIC. The market value of collateral will always equal or exceed the principal and accrued interest of deposits at financial institutions. At its discretion, the Town may require a higher level of collateralization for certain investment securities. Securities pledged as collateral shall be held by an independent third party with whom the Town has a current custodial agreement. As of September 30, 2022, The Town is in compliance with this policy.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the Public Funds Investment Act, the Town's investment policy, or debt agreements and the actual rating as of year-end for each investment type.

The Town will minimize credit risk, the risk of loss due to the failure of security issuer or backer by:

- Limiting investment to the safest types of securities;
- Pre-qualifying the financial institutions and broker/dealers with which the Town will do business;
- Diversifying the investment portfolio so that potential loss on individual securities will be minimized.

C. CASH AND INVESTMENTS (continued)

Interest Rate Risk

Investment rate risk is the risk that changes in market interest rates will adversely affect the fair market value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its market value, to changes in market interest rates. One of the ways that the Town manages its exposure to interest rate risk is by investing mainly in investment pools which purchase a combination of shorter term investments with an average maturity of less than 60 days, thus reducing interest rate risk. The Town monitors interest rate risk inherent in its portfolio by measuring the weighted average maturity of its portfolio. The Town's investment policy has no specific limitations with respect to this metric.

Fair Value of Investments

Fair value is the amount at which a security could be exchanged in a current transaction between willing parties, other than in forced liquidation. GASB 79 created an election option for external investment pools and pool participants to continue to utilize amortized cost accounting, rather than fair value, for certain investment pools, and eliminated the reference to SEC2a-7 guidance. Participants in qualifying pools would be permitted to continue measuring investments at amortized cost if they met certain criteria. The Town's investment pool (TexStar) is in compliance with GASB 79. The Town's investment pool, TexStar, has elected to continue to measure its investments at fair value even though they meet all criteria under GASB 79 to report at amortized cost. The Town has mirrored these valuations.

The Town is required to disclose the fair value of its investments within the fair value hierarchy established by GASB 72. In the fair value hierarchy there are three levels: 1) Inputs that are quoted prices (unadjusted) for identical assets, or liabilities in active markets that a government can access at the measurement date, 2) inputs (other than quoted prices included within level one) that are observable for an asset or liability, either directly or indirectly, 3) unobservable inputs for an asset or liability.

Federal Securities classified as level two of the fair value hierarchy are valued using an evaluation model maintained by surveying the dealer community, obtaining relevant trade dates and spreads, and incorporating information into the evaluation process. U.S. Treasury Notes classified as level two of the fair value hierarchy are valued using an evaluation mode with continuous feeds from live data sources including active market makers and inter-dealer brokers.

The Town invests in TexStar investment pool which maintain a stable net asset value (NAV) of $1 per share using the fair value method. The Town has no unfunded commitments to these pools and may redeem investments at any time. As of September 30, 2022 the Town's investments all were classified as level two according to GASB 72, except for the pools which are exempt from the level of fair value disclosure because they are valued either at NAV or amortized cost.

C. CASH AND INVESTMENTS (continued)

SUMMARY OF INVESTMENTS AND CASH EQUIVALENTS, RELATED WEIGHTED AVG.MATURITY, AND FAIR VALUE MEASUREMENTS

Investment Type	Amount	Minimum Legal Rating	Rating as of Year End	Average Maturity
TexStar	$ 7,976,591	N/A	AAA-m	39 days

D. RECEIVABLES

Receivables as of year-end for the government's individual major funds and non-major funds, including the applicable allowances for uncollectible accounts, are as follows:

	General	Debt Service	Other Governmental Funds	Utility Fund	Total
Receivables:					
Taxes	$ 663,708	$ 14,614	$	$ -	$ 678,322
Fees and Charges	2,138,214	-	8,615	1,191,489	3,338,318
Gross Receivables	2,801,922	14,614	8,615	1,191,489	4,016,640
Less:					
Allowance for uncollectibles	$ (2,108,254)	$ (6,576)	$ -	$ (879)	$ (2,115,709)
Net Total Receivables	$ 693,668	$ 8,038	$ 8,615	$ 1,190,610	$ 1,900,931

Allowance for un-collectables:

Approximately 98%, or $2,079,892, of the allowance represents older outstanding court warrants that that have been deemed as potentially uncollectable.

E. NOTE RECEIVABLE

The Sunnyvale 4A Development Corporation agreed to pay a portion of the Town's 2013 Refunding Bond by remitting to the Town from the receipts of local sales and use taxes received by the Corporation to pay a portion of the principal and interest on the bonds.

	Balance 9/30/2021	Additions	Decreases	Balance 9/30/2022	Due within One Year
Note receivable-4A Dev	$ 276,338	$ -	$ 37,254	$ 239,084	$ 37,356

Requirement as follows:

Year Ending Sept 30	Payment
2023	$ 37,356
2024	38,366
2025	40,176
2026	40,964
2027	40,760
2028	41,462
	$ 239,084

F. CAPITAL ASSETS

Capital asset activity for the period ended September 30, 2022 was as follows:

	Balance 9/30/2021	Additions	Decreases	Balance 9/30/2022
Governmental Activities:				
Capital assets not being depreciated:				
Land	$ 2,610,223	$	$ -	$ 2,610,223
Construction in progress	10,896,715	8,192,953	(1,904,569)	17,185,099
Total capital assets not being depreciated	13,506,938	8,192,953	(1,904,569)	19,795,322
Capital assets being depreciated:				
Buildings & Improvements	5,410,794	-	1,904,569	7,315,363
Machinery and equipment	5,368,568	131,630	-	5,500,198
Infrastructure	12,623,613	735,251	-	13,358,864
Total capital assets being depreciated	23,402,975	866,881	1,904,569	26,174,425
Less accumulated depreciation for:				
Buildings & Improvements	(2,024,613)	(155,883)	-	(2,180,496)
Machinery and equipment	(3,746,702)	(629,378)	-	(4,376,080)
Infrastructure	(3,390,115)	(395,036)	-	(3,785,151)
Total accumulated depreciation	(9,161,430)	(1,180,297)	-	(10,341,727)
Total capital assets being depreciated, net	14,241,545	(313,416)	1,904,569	15,832,698
Governmental activities capital assets, net	$ 27,748,483	7,879,537	$ -	$ 35,628,020

F. CAPITAL ASSETS (continued)

Business-Type Activities	Balance 9/30/2021	Additions	Retirements	Completed Construction	Balance 9/30/2022
Capital assets not being depreciated:					
Land	$ 127,225	$ -	$ -	$ -	$ 127,225
Construction in progress	209,720		-	-	209,720
Total capital assets not being depreciated	336,945	-	-	-	336,945
Capital assets being depreciated:					
Buildings	6,682,368	37,911	-	-	6,720,279
Machinery and equipment	1,719,102	69,781	-	-	1,788,883
Infrastructure	27,564,811	7,246,387	-	-	34,811,198
Total capital assets being depreciated	35,966,281	7,354,079	-	-	43,320,360
Less accumulated depreciation for:					
Buildings	(1,444,133)	(132,551)	-	-	(1,576,684)
Machinery and equipment	(612,274)	(130,367)	-	-	(742,641)
Infrastructure	(6,855,189)	(650,026)			(7,505,215)
Total accumulated depreciation	(8,911,596)	(912,944)	-	-	(9,824,540)
Total capital assets being depreciated, net	27,054,685	6,441,135	-	-	33,495,820
Business type activities capital assets, net	$ 27,391,630	$ 6,441,135	$ -	$ -	$ 33,832,765

F. CAPITAL ASSETS (continued)

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:

General Government	$	172,418
Public Safety		547,207
Public Works		345,209
Parks & Recreation		115,463
Total depreciation expense - governmental activities	$	1,180,297
Business-type activities		
Utility		912,944
Total depreciation expense- business-type activities	$	912,944

G. CONSTRUCTION COMMITMENTS

As of September 31, 2022, the Town had one open construction project for enhancements to Collins Road Infrastructure.

H. IMPAIRED CAPITAL ASSETS

The Town of Sunnyvale and management did not take note of any significantly impaired capital assets that are idle at the end of the fiscal year of 2022.

I. LONG-TERM OBLIGATIONS

A summary of long-term debt transactions, including the current portion, for the year ended September 30, 2022, is as follows:

	Balance 9/30/2021	Issued	Decrease	Balance 9/30/2022	Due Within One Year
Governmental activities:					
Series 2013 GO Refunding Bond	$ 1,635,000	$ -	$ (1,635,000)	$ -	$
Series 2017 Certificate of Obligation	3,675,000	-	(185,000)	3,490,000	185,000
Series 2019 - Tax Note	2,690,000	-	(520,000)	2,170,000	530,000
2019 Certificate of Obligation	5,720,000	-	-	5,720,000	-
2020 Certificate of Obligation	6,355,000	-	(20,000)	6,335,000	95,000
Series 2021 GO Refunding Bond	-	1,340,000		1,340,000	190,000
Plus: Issuance premiums	2,138,626	163,539	(333,992)	1,968,173	(138,087)
Minus: Issuance discounts	(25,739)	-	1,617	(24,122)	1,617
Total bonds payable	22,187,887	1,503,539	(2,692,375)	20,999,051	863,530
Capital Leases	470,248	-	(124,833)	345,415	124,833
Total lease payable	470,248	-	(124,833)	345,415	124,833
Net pension Liability	442,219	-	(422,464)	19,755	-
Net OPEB Liability	122,685	10,654	-	133,339	-
Compensated absences	377,010	206,826	(112,583)	471,253	-
Governmental activity long-term liabilities	$ 23,600,049	$ 1,721,019	$ (3,352,255)	$ 21,968,813	$ 988,363

I. LONG-TERM OBLIGATIONS (continued)

	Balance 9/30/2021	Issued	Decrease	Balance 9/30/2022	Due Within One Year
Business-type activities:					
Water & Sewer					
Refunding Bonds	$ 1,225,000	$ -	$ (1,225,000)	$ -	$ -
2020 GO Refunding	1,705,000	-	(150,000)	1,555,000	150,000
2020 CO	3,025,000	-	(110,000)	2,915,000	110,000
2021 CO Refunding	-	995,000	-	995,000	145,000
Plus: Issuance Premiums	663,669	120,423	(130,724)	653,368	62,734
Total Bonds Payable	6,618,669	1,115,423	(1,615,724)	6,118,368	467,734
Notes Payable	84,006	-	(12,004)	71,999	12,004
Minus: Issuance discounts	(24,996)	-	3,571	(21,425)	(3,570)
Total Notes Payable	59,010	-	(8,433)	50,577	8,434
Net pension liability	91,726	-	(87,627)	4,099	-
Net OPEB Liability	27,500	2,817	-	30,317	-
Compensated absences	40,866	4,057	-	44,923	-
Business-type activities Long-Term liabilities	$ 6,837,771	$ 1,122,297	$ (1,711,784)	$ 6,248,284	$ 476,168

General obligation bonds

The general obligation bonds are backed by the full faith and credit of the Town and are payable from property taxes.

Refunding bonds and certificates of obligation

The refunding bonds and certificates of obligation are payable from the net revenues of the Utility Fund and from property taxes received by the Town.

Compensated Absences

Compensated absences represent the estimated liability for employees' accrued vacation leave for which employees are entitled to be paid upon termination. The retirement of this liability is typically paid from the General or Proprietary Fund, based on the assignment of an employee at date of termination.

I. LONG-TERM OBLIGATIONS (continued)

Changes in Governmental Long-term Debt (continued)

Changes in Governmental Long-term Debt

Description	Interest Rate Payable	Amounts Original Issue	Amounts Outstanding 30-Sep 2021	Issued	Retired	Amounts Outstanding 30-Sep 2022	Due Within One Year
2013 GO Refunding	2.50%	$ 4,295,000	$ 1,635,000	$ -	$ (1,635,000)	$ -	$ -
2017 Certificate of Obligation	3.00%	4,045,000	3,675,000	-	(185,000)	3,490,000	185,000
2019 Tax Note	1.80%	3,560,000	2,690,000	-	(520,000)	2,170,000	530,000
2019 Certificates of Obligation	2.50 - 4.00%	5,720,000	5,720,000	-	-	5,720,000	-
2020 Certificates of Obligation	2.50 - 4.00%	6,355,000	6,355,000	-	(20,000)	6,335,000	95,000
2021 GO Refunding		1,340,000	-	1,340,000		1,340,000	190,000
Plus: Issuance premiums			2,138,626	163,539	(333,992)	1,968,173	(138,087)
Minus: Issuance discounts			(25,739)		1,617	(24,122)	1,617
Total Bonds Payable		25,315,000	22,187,887	1,503,539	(2,692,375)	20,999,051	863,530
Capital Lease		470,349	408,774	-	(63,359)	345,415	124,833
Capital Lease- BOK	1.81%	492,554	61,474	-	(61,474)	-	-
Total Capital Lease Payable		962,903	470,248	-	(2,817,208)	345,415	988,363
Net Pension Liability		-	442,219	-	(422,464)	19,755	-
Net OPEB Liability		-	122,685	10,654	-	133,339	-
Compensated balances		-	377,010	206,826	(112,583)	471,253	-
Totals		$ 26,277,903	$ 23,600,049	$ 1,721,019	$ (6,044,630)	$ 21,968,813	$ 988,363

Debt service requirements are as follows:

Year Ending September 30:	Principal	Interest
2023	1,000,000	700,590
2024	1,095,000	673,815
2025	1,190,000	644,085
2026	1,230,000	609,695
2027	725,000	570,920
2028 - 2032	4,805,000	2,276,590
2033 - 2037	5,570,000	1,262,800
2038 - 2040	3,440,000	250,800
	$ 19,055,000	$ 6,989,295

A brief discussion of each bond issuance as follows:

$4,295,000 - Series 2013 Refunding General Obligation Bonds issued in April 2013 to refund a portion of the Town's outstanding debt. The Bonds mature in September 2028.

$4,045,000 - 2017 Certificate of Obligation issued in April 2017 for the purpose of construction of street improvements to Collins Road. The Certificates mature at various dates through September 2037.

I. LONG-TERM OBLIGATIONS (continued)

$3,560,000 - 2019 Tax Note issued in September 2019 for the purpose of starting up the first Sunnyvale Police Department and other public safety needs. The Note mature at various dates through September 2026.

$5,720,000 – 2019 Certificate of Obligation issued in December 2019 for the purpose of funding Collins Road Phase II engineering and drainage issues along the Tripp Road corridor. The Certificates mature at various dates through February 2040.

$6,355,000 - 2020 Certificate of Obligation issued in June 2020 for the purpose of construction of a fire station, street and bridge improvements. The Certificates mature at various dates through September 2040.

$1,340,000 - 2021 Certificate of Obligation issued in November 2021 to refund a portion of the Town's outstanding debt. The Bonds mature in September 2028.

Capital Lease

The Town entered into a capital lease agreement for a 2016 Ford F-350 Ambulance in the amount of $176,125 on December 29, 2015 and a 2016 Spartan Pumper in the amount of $415,429 on February 16, 2016. The lease will be repaid over a seven year period at an interest rate of 1.81%. The Town entered into a capital lease agreement for a 2018 E-One Fire Truck in the amount of $526,409 on February20, 2022, The lease will be repaid over a seven year period at an interest rate of 2.89%. The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2022 were as follows:

Year Ending September 30:		Total Requirements
2023	$	75,201
2024		75,201
2025		75,201
2026		75,201
2027		75,201
2028		-
Total minimum note payments		376,005
amount representing interest		30,591
Totals	$	345,414

I. LONG-TERM OBLIGATIONS (continued)

Changes in Business-type Long-term Debt

Description	Interest Rate Payable	Amounts Original Issue	Amounts Outstanding 30-Sep 2021	Issued	Retired	Amounts Outstanding 30-Sep 2022	Due Within One Year
2013 GO Refunding	2.50%	$ 2,370,000	$ 1,225,000	$ -	$ (1,225,000)	$ -	$ -
2020 GO Refunding	3.00 - 4.00%	1,845,000	1,705,000	-	(150,000)	1,555,000	150,000
2020 CO	2.50 - 4.00%	3,105,000	3,025,000	-	(110,000)	2,915,000	110,000
2021 GO Refunding	4.00%	995,000	-	995,000	-	995,000	145,000
Total Bonds Payable		8,315,000	5,955,000	995,000	(1,485,000)	5,465,000	405,000
Premiums			664,259	120,423	(130,724)	653,958	62,734
Infrastructure Repayment		192,062	84,006		(12,006)	72,000	12,004
Net Pension Liability		-	91,726	-	(87,627)	4,099	-
Net OPEB Liability		-	27,500	2,817		30,317	-
Compensated balances		-	40,866	4,057	-	44,923	-
Totals		8,507,062	6,863,357	1,122,297	(1,715,357)	6,270,297	479,738

Debt service requirements are as follows:

Year Ending September 30:	Principal	Interest
2023	405,000	203,450
2024	430,000	189,425
2025	450,000	174,625
2026	460,000	158,050
2027	480,000	139,675
2028 - 2032	1,675,000	457,850
2033 - 2037	920,000	224,000
2038 - 2040	645,000	39,500
Totals	$ 5,465,000	$ 1,586,575

1. LONG-TERM OBLIGATIONS (continued)

Changes in Business-type Long-term Debt (continued)

A brief discussion of each bond issuance as follows:

$3,105,000, 2020 Certificate of Obligation issued in June 2020 for the purpose of replacing sewer lines and related infrastructure in the Harris Addition housing development. The Certificates mature in September, 2040.

$1,845,000 2022 General Obligation Refinanced Series 2011 related to the water tower project. The Certificates mature in September, 2031. The I&S rate supports this debt.

$995,000 Series 2021 Refunding General Obligation Bonds issued in November 2021 to refund a portion of the Town's outstanding debt. The Bonds mature in September 2028.

Note Payable

In fiscal year 2007, the Town executed an infrastructure repayment agreement with the Texas Department of Agriculture's Rural Economic Development Division. Under the terms of the agreement, the Town agreed to repay program income to the Texas Department of Agriculture in an amount up to $192,100. The note is noninterest bearing. However, to reflect the time value of money, the liability recorded in the financial statements reflects future payments discounted at an imputed interest rate of 5.00%. Payments will be made in no more than two hundred and forty equal monthly installments beginning the first (1st) day of the third (3rd) month following the completion date or occupancy by the beneficiary, whichever comes first. The amount of funds to be repaid as of September 30, 2022 totals $72,000. The amount due within one year totals $12,004.

Year Ending September 30:		Minimum Obligation
2023		12,004
2024		12,004
2025		12,004
2026		12,004
2027		12,004
2028		11,980
Total minimum note payments	$	72,000
Less: amount representing interest		-
Present value of note payments	$	72,000

J. OPERATING LEASES

The Town leases copiers from DeLange to provide equipment for the printing, copying, faxing, and scanning needs of the Town during daily operation. The total cost for the copier leases was $35,671 for the year ended September 30, 2022. The Town also leases a postage machine from Pitney Bowes. The total cost for the postage machine lease was $3,069 for the year ended September 30, 2022. The future minimum payments for these leases are as follows:

Year Ending 30-Sep	Pitney Bowes	DeLange	Total
2023	$ 1,464	$ 2,609	$ 4,073
Total	$ 1,464	$ 2,609	$ 4,073

K. PENSION PLAN

For the purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of TMRS and additions/deductions from TMRS's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

1. Plan Description

The Town provides pension benefits for all its eligible employees through a non-traditional, joint contributory, hybrid defined benefit plan administered by the Texas Municipal Retirement System ("TMRS"). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code ("TMRS Act") as an agent multiple employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401(a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report ("CAFR") that can be obtained at www.tmrs.com.

All eligible employees of the Town are required to participate in TMRS.

2. Benefits Provided

TMRS provides retirement, disability, and death benefits. Benefits provisions are adopted by the Town Council, within the options available in the statutes governing TMRS.

K. PENSION PLAN – continued

2. Benefits Provided - continued

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the town-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payment options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

Employees covered by benefit terms:

At the December 31, 2020 valuation and measurement date, the following employees were covered by the benefit terms:

	Plan Year	
	2021	2020
Retirees or beneficiaries currently receiving benefits	23	20
Inactive employees entitled to but not yet receiving benefits	52	46
Active employees	76	72
	151	138

3. Contributions

The contribution rates for employees in TMRS are either 5%, 6%, or 7% of employee gross earnings, and the Town matching percentages are either 100%, 150%, or 200%, both as adopted by the Town Council. Under the state law governing TMRS, the contribution rate for each town is determined annually by the actuary, using the Entry Age Normal ("EAN") actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees for the Town were required to contribute 6.00% of their annual gross earnings during the fiscal year. Contribution rates for the Town were 11.88% and 12.13% in calendar years 2021 and 2019, respectively. The Town's contributions to TMRS for the fiscal year ended September 30, 2022 were $577,790.

K. PENSION PLAN – continued

4. Net Pension Liability

The Town's Net Pension Liability ("NPL") was measured as of December 31, 2020, and the Total Pension Liability ("TPL") used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial assumptions:

The Total Pension Liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	3.0%, per year
Investment Rate of Return	6.75%, net of pension plan investment expense, including inflation

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct RP2000 Combined Healthy Mortality Table, with male rates multiplied by 109% and female rates multiplied by 103%. Based on the size of the Town, rates are multiplied by a factor of 100%. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements. For disabled annuitants, the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustments are used with males rates multiplied by 109% and female rates multiplied by 103% with a 3-year set-forward for both males and females. In addition, a 3% minimum mortality rate is applied to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements subject to the 3% floor.

K. PENSION PLAN – continued

4. Net Pension Liability - continued

Actuarial assumptions used in the December 31, 2020 valuations were based on the results of actuarial experience studies. The experience study in TMRS was for the period December 31, 2010 through December 31, 2014. Healthy post-retirement mortality rates and annuity purchase rates were updated based on a Mortality Experience Investigation Study covering 2009 through 2011, and dated December 31, 2013. These assumptions were first used in the December 31, 2013 valuation, along with a change to the Entry Age Normal (EAN) actuarial cost method. Assumptions are reviewed annually. No additional changes were made for the 2017 valuation. After the Asset Allocation Study analysis and experience investigation study, the Board amended the long-term expected rate of return on pension plan investments from 7% to 6.75%. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding need of TMRS.

The long-term expected rate of return on pension plan investment is 6.75%. The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the TMRS Board of Trustees. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TMRS.

Discount Rate

The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions were made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

K. PENSION PLAN - continued

4. Net Pension Liability - continued

Changes in Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at 12/31/2020	$ 7,479,666	$ 6,929,095	$ 550,571
Changes for the year:			
Service cost	783,276	-	783,276
Interest (on the Total Pension liability)	522,414	-	522,414
Change in benefit terms	-	-	-
Difference between expected and actual experience	(61,801)	-	(61,801)
Changes in assumptions	-	-	-
Benefit payments, including refunds of employee contributions	(263,684)	(263,684)	-
Contribution - employer	-	578,754	(578,754)
Contribution - employee	-	290,102	(290,102)
Net investment income	-	905,161	(905,161)
Administrative expense	-	(4,180)	4,180
Other	-	28	(28)
			-
Net changes	980,205	1,506,181	(525,976)
Balance as of December 31, 2021	$ 8,459,871	$ 8,435,276	$ 24,595

Sensitivity of the net position liability to change in the discount rate

The following presents the net pension liability of the Town, calculated using the discount rate of 6.75%, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

	1% Decrease in Discount Rate 5.75%	Current Single Rate Assumption 6.75%	1% Increase in Discount Rate 7.75%
City's net pension liability	$ 1,406,732	$ 24,595	$ (1,079,958)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TMRS financial report. That report may be obtained on the internet at www.tmrs.com.

K. PENSION PLAN (continued)

5. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended September 30, 2022, the Town recognized pension expense of $868,857.

At September 30, 2022, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions subsequent to the measurement date	$ 413,236	$ -
Differences between expected and actual economic experience	16,651	48,898
Changes in actuarial assumptions		4,529
Differences between projected and actual investment earnings	98,957	559,534
Total	$ 528,844	$ 612,961

$413,236 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the measurement year ending December 31, 2022 (i.e. recognized in the City's financial statements September 30, 2023). Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Measurement Year Ended December 31,	Amount
2022	$ (90,827)
2023	(198,158)
2024	(110,692)
2025	(97,676)
2026	-
Thereafter	-
Total	$ (497,353)

K. PENSION - continued

6. Group-term Life Insurance

The Town also participates in the cost sharing multiple-employer defined benefit group-term life insurance plan operated by the TMRS known as the Supplemental Death Benefits Fund ("SDBF"). The Town elected, by ordinance, to provide group-term life insurance coverage to both current and retired employees. The Town may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1.

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death); retired employees are insured for $7,500; this coverage is an "other postemployment benefit", or OPEB.

The Town contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not to pre-fund retiree term life insurance during employees' entire careers.

Total OPEB Liability

The Town's total OPEB liability of $169,652 was measured as of December 31, 2020, and was determined by an actuarial valuation as of that date.

The total OPEB liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases	3.50% to 11.5% including inflation
Discount rate	2.00%
Retirees' share of benefit related costs	$ -0-

*The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA index" rate as of December 31, 2017. Mortality rates - service retirees:

RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% and projected on a fully generational basis with scale BB.

K. PENSION PLAN (continued)

6. Group-term Life Insurance - Continued

Mortality rates - disabled retirees:

RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% and then 3 year set-forward for both males and females. The rates are projected on a fully generational basis with scale BB to account for future mortality improvements subject to the 3% floor.

The actuarial assumptions used in the December 31, 2020 valuation were based on the results of an actuarial experience study for the period December 31, 2010 to December 31, 2014.

Changes in the Total OPEB Liability:

	2021	2020
Total OPEB Liability - beginning of year	$ 152,745	$ 121,622
Changes for the year		
Service Cost	17,890	12,539
Interest on Total OPEB Liability	3,161	3,497
Changes of benefit terms	-	-
Differences between expected and actual experience	(2,249)	(3,476)
Changes in assumptions or other inputs	5,358	20,033
Benefit payments **	(7,253)	(1,470)
Net Changes	16,907	31,123
Total OPEB Liability - end of year	$ 169,652	$ 152,745

The following presents the Total OPEB Liability of the Town, as well as what the Town's Total OPEB Liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.75 percent) or 1-percentage-point higher (3.75%) than the current discount rate.

	1 % Decrease 0.84%	Current Discount Rate 1.84%	1% Increase 2.84%
Total OPEB Liability	$ 209,155	$ 169,652	$ 139,695

K. PENSION PLAN (continued)

6.Group-term Life Insurance - Continued

Deferred (Inflows)/Outflows of Resources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 342	$ 5,390
Changes in assumptions and other inputs	29,627	1,909
Contributions made subsequent to measurement date	3,569	-
Total	$ 33,538	$ 7,299

Amounts reported as deferred outflows of resources and deferred inflow of resources related to OPEB will be recognized in OPEB expense as follows:

	Net deferred outflows (inflows) of resources
2022	$ 5,992
2023	5,268
2024	6,679
2025	3,852
2026	446
Thereafter	433
Total	$ 22,670

L. HEALTH CARE COVERAGE

During the year ended September 30, 2022, employees of the Town were covered by a health insurance plan with Texas Municipal League Intergovernmental Employee Benefit Pool ("TMLIEBP"). The Town contributed $488 per month. In addition, a monthly amount, $79.00 was credited to a Health Reimbursement Account ("HRA") for each employee. The Town also paid the monthly premium for a $10,000 life insurance and accidental death and dismemberment ("AD&D") protection for each employee. The Town paid 100% of monthly premiums for full-time employees. The Town did not pay for dependent coverage; however, it was available to employees at their option and was paid through payroll deductions.

M. INSURANCE COVERAGE

In accordance with state statute, the Town was protected against unanticipated catastrophic individual or aggregate loss by stop-loss coverage carried through Texas Municipal League, a commercial insurer licensed and eligible to do business in Texas, in accordance with the Texas Insurance Code. Stop-loss coverage was in effect for individual claims exceeding $125,000 and for aggregate loss. According to the latest actuarial opinion, dated October 1, 2015, the unfunded claim benefit obligation included no reported claims that were unpaid and no estimated claims incurred, but not reported.

N. RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts, theft, damage or destruction of assets, errors and omissions, injuries to employees, and natural disasters. The Town had general liability coverage at a cost that is considered to be economically justifiable by joining together with other governmental entities in the State as a member of the Texas Municipal League Intergovernmental Risk Pool ("TML"). TML is a self-funded pool operating as a common risk management and insurance program. The Town pays an annual premium to TML for its insurance coverage. The agreement for the formation of TML provides that TML will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of acceptable risk levels; however, each category has its own level of reinsurance. The Town continues to carry commercial insurance for other risks of loss. There were no significant reductions in commercial insurance coverage in the past fiscal year and settled claims resulting from these risks have not exceeded coverage in any of the past three fiscal years.

O. LITIGATION

The Town is a party to various legal proceedings arising in the ordinary course of its operations. Management believes that the Town has adequate legal defenses and/or insurance coverage respecting each of these actions.

P. ADDITIONAL WATER AND SEWER INFORMATION

The following information is included at the request of the Texas Water Development Board for the year under audit.

Water Accountability Report:

Gallons Purchased	733,422,000	Gallons Billed	719,166,919

P. ADDITIONAL WATER AND SEWER INFORMATION - continued

The Town secures its water supply and sewer services from the North Texas Municipal Water District ("District"), a district authorized by the Texas Constitution, Article XVI, Section 59, created by the Texas Legislature, Article 8280-141; and authorized to act by the confirming vote of the majority of the qualified voters in each of the cities comprising the District. The District has police, taxation, and eminent domain power and is authorized to issue revenue and/or tax bonds upon approval by the Attorney General of the State of Texas and functions as a political subdivision of the State of Texas independent of the Town. The District is governed by a 17-member board ("Board"). The Board has full power and discretion to establish its budget and to set the rates for the services it provides by contract with its member cities and customers. The Board is empowered by statute and contract, or otherwise permitted by law, to discontinue a facility or service in order to prevent an abuse or to enforce payment of an unpaid charge, fee or rental due to the District. Because of these factors, the District is not included in the Town's basic financial statements.

The Town purchases its water from the North Texas Municipal Water District ("NTMWD"). Each year, NTMWD calculates the cost of water based upon the previous year's usage. The Town currently pays $3.44 per thousand gallons for water with the total cost for this current fiscal year being $2,418,882.

Q. TRANSFERS

Transfers between funds during the fiscal year were as follows:

Fund	Transfers Out	Transfers In	Total
General Fund	$ 1,778,430	$ 125,000	$ 1,653,430
Other Governmental Funds	491,385	2,786,216	(2,294,831)
Water and Sewer Funds	670,367	28,966	641,401
Total Major Funds	$ 2,940,182	$ 2,940,182	$ -

Transfers are used to 1) transfer debt service payments and 2) fund general administrative operations.

R. RELATED PARTY TRANSACTIONS

The Town's Finance Director is married to the owner of Digital Security Systems, a company which services the security system of the Town. During the year ended September 30, 2022, the Town incurred $1,260 with Digital Security Systems. No amounts were outstanding as of September 30, 2022.

S. SUBSEQUENT EVENTS

The Town has evaluated all events and transaction that occurred after September 30, 2022 up through March 27 2023, the date the financial statements were available to be issued.

- November 12, 2022, by resolution No. 2022-25, the Town Council agreed to extend the maturity date of a Note Receivable with Sunnyvale Development, Ltd. with a current balance of $186,161.80 to the earlier of December 31, 2024 or the date the entire principal amount and accrued interest is paid in full.
- November 14, 2022, by resolution No. 2022-27, the Town Council and the 4B Economic Development Corporation Board of Directors declared the Tripp Road Trail Connection a Type B economic development "project" and appropriated funding from unrestricted fund balance of the 4B Economic Development Corporation.
- November 14, 2022, by resolution No. 2022-28, the Town Council set a public hearing for the creation of a tax increment reinvestment zone containing approximately 3,773.54 acres of land within the town limits.
- November 14, 2022, by resolution No. 2022-29, the Town Council set a public hearing for the creation of a tax increment reinvestment zone containing approximately 5,815.01 acres of land within the town limits.
- December 12, 2022, by resolution No. 2022-30, the Town Council approved and authorized the execution of a master interlocal agreement with Dallas County pertaining to road and bridge transportation related improvements and/or maintenance. The agreement becomes effective when the last party signs the agreement and is set to expire December 31, 2027. Projects undertaken under the agreement would require Dallas County to provide detailed proposal for the Town's approval indicating all work to be performed and at what cost to the Town.

During this time, management is not aware of any other events requiring financial statement disclosure other than those mentioned within the report.

T. SUNNYVALE 4A DEVELOPMENT CORPORATION

The 4A Escrow account was formed upon the voter approved dissolution of the 4A Economic Development Corporation to satisfy remaining obligations that include a note payable to debt service, incentives outstanding, labor and benefits and legal services.

The 4A Economic Development Corporation ("4A") had been financed with a voter approved ⅛ of 1% of sales tax to aid, promote and further the economic development within the Town

1. Deposits and Investments

Cash Deposits

At September 30, 2022, the carrying amount of 4A's deposits (cash, certificates of deposit, and interest-bearing savings accounts included in temporary investments) was $311,550 and the bank balance was $314,224. 4A's cash deposits at September 30, 2022 and during the year ended September 30, 2022 were entirely covered by FDIC and pledged collateral held by 4A's agent bank in 4A's name. Cash and investments as of September 30, 2022 consist of and are classified in the accompanying financial statements as follows:

Statement of net position:

4A Development Corporation	
Restricted assets-cash and	
Cash Equivalents	$ 311,550
Total Cash and Cash Equivalents	$ 311,550

T. SUNNYVALE 4A DEVELOPMENT CORPORATION - Continued

2. Long-term Obligations

The Sunnyvale 4A Development Corporation agreed to pay a portion of the Town's 2013 Refunding Bond by remitting to the Town from the receipts of local sales and use taxes received by 4A to pay a portion of the principal and interest on the bonds. 4A remitted $34,998 to the Town during fiscal year 2022. The outstanding amount owed to the Town as of September 30, 2022 totaled $239,084. Note payable requirements are as follows:

	Beginning Balances	Issued	Decreased	Ending Balance	Due Within One Year
Governmental Activities					
Notes payable- Town	$ 276,338	$ -	$ (37,254)	$ 239,084	$ 37,356

Debt service requirements are as follows:

Year ending 30-Sep	Payment
2023	37,356
2024	38,366
2025	40,176
2026	40,965
2027	40,760
2028	41,461
	$ 239,084

U. SUNNYVALE 4B DEVELOPMENT CORPORATION

The 4B Development Corporation ("4B") is financed with a voter approved one half of one percent sales tax to promote and retain business development within the Town through enhancements and expansions of the local economy. Under a contract between 4B and the Town, the Town provides financial services for 4B.

1. Stewardship, Compliance and Contractual Provisions

   a. Finance-related Legal and Contractual Provisions

In accordance with GASB Statement No. 38, "Certain Financial Statement Note Disclosures", violations of finance- related legal and contractual provisions, if any, are reported below, along with actions taken to address such violations.

Violation	Action Taken
None	N/A

   b. Deficit Fund Balance of Fund Net Position of Individual Funds

Following are funds having deficit fund balances or deficit fund net position at fiscal year-end, if any along with remarks which address such deficits:

Violation	Action Taken
None	N/A

U. SUNNYVALE 4B DEVELOPMENT CORPORATION - continued

2. Deposits and Investments

Cash Deposits

At September 30, 2022, the carrying amount of the 4B Development Corporation's ("4B") deposits (cash, certificates of deposit and interest-bearing savings accounts included in temporary investments) was $3,536,360 and the bank balance was $3,632,749. 4B's cash deposits at September 30, 2022 and during the year ended September 30, 2022 were entirely covered by FDIC and pledged collateral held by 4B's agent bank in 4B's name.

Cash and investments as of September 30, 2022 consist of and are classified in the accompanying financial statements as follows:

Statement of net position:	
4B Development Corporation	
Cash and cash equivalents	$ 3,536,360

Investments

The Public Funds Investment Act ("Act") requires an annual audit of investment practices. Audit procedures in this area conducted as a part of the audit of the general purpose financial statements disclosed that in the areas of investment practices, management reports, and establishment of appropriate policies, the 4B adhered to the requirements of the Act.

3. Receivables

Accounts receivable at the end of the fiscal year is due from the Town in the amount of $294,911 for collection of sales tax revenues. No allowance for uncollectible is calculated since there is minimal chance that the entire amount will not be collected.

4. Compensated Absences

Compensated absences represent the estimated liability for employees' accrued paid time off for which employees are entitled to be paid upon termination. The detail of 4B's liability for compensated absences as of September 30, 2022 is as follows:

	Amounts Outstanding September 30, 2021	Issued	Retired	Amounts Outstanding September 30, 2022	Due Within One Year
Compensated absences	$ 15,400	$ 4,015	$ -	$ 19,415	$ -

U. SUNNYVALE 4B DEVELOPMENT CORPORATION - Continued

5. Net Pension Liability

4B employees were provided the same pension benefits through the TMRS as the Town employees. See Note K for detailed disclosures of the pension plan and net pension liability.

	Amounts Outstanding September 30, 2021	Issued	Retired	Amounts Outstanding September 30, 2022	Due Within One Year
Net Pension liability	$ 16,626	$ -	$ (15,882)	$ 744	$
OPEB Liability	2,560	3,434	-	5,994	
	$ 19,186	$ 3,434	$ (15,882)	$ 6,738	$ -

6. Subsequent Events

4B has evaluated all events and transactions that occurred after September 30, 2022 up through March 27, 2023, the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

Town of Sunnyvale
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Property taxes	$ 4,719,342	4,719,342	$ 4,709,108	$ (10,234)
Franchise taxes	970,000	970,000	1,094,077	124,077
Sales Tax	2,612,000	2,612,000	3,998,715	1,386,715
Fines and forefeitures	368,700	368,700	217,870	(150,830)
Licenses and Permits	523,441	523,441	1,010,203	486,762
Charge for Services	145,000	145,000	203,491	58,491
Investment Income	36,000	36,000	60,607	24,607
Intergovernmental-state and local	229,024	229,024	287,907	58,883
Miscellaneous	142,500	142,500	174,532	32,032
Total revenues	9,746,007	9,746,007	11,756,510	2,010,503
Expenditures:				
General Government	2,005,010	2,080,568	1,806,167	274,401
Capital Outlay	506,349	508,371	547,789	(39,418)
Total General Government	2,511,359	2,588,939	2,353,956	234,983
Public Safety				
Police	2,975,282	2,975,282	2,727,666	247,616
Fire	1,598,400	1,849,406	1,717,527	131,879
Capital Outlay	173,000	173,000	181,831	(8,831)
Total Public safety	4,746,682	4,997,688	4,627,024	370,664
Public Services and Operations				
Public Services and Operations	947,646	1,089,434	1,014,841	74,593
Total Public Services	947,646	1,089,434	1,014,841	74,593
Public Works				
Public Works	602,726	3,407,045	1,440,039	1,967,006
Total Public Works	602,726	3,407,045	1,440,039	1,967,006
Parks and recreation				
Parks	692,715	692,715	619,169	73,546
Total Parks and Recreation	692,715	692,715	619,169	73,546
Library				
Library	232,090	232,090	217,010	15,080
Total Library	232,090	232,090	217,010	15,080
Total expenditures	9,733,218	13,007,911	10,272,039	2,735,872
Excess (deficiency) of revenues over (under) expenditures	12,789	(3,261,904)	1,484,471	4,746,375
Other Revenue and financing sources (uses):				
Capital lease	(137,789)	(137,789)	(137,789)	-
Transfers	125,000	125,000	(1,653,430)	(1,778,430)
Total other financing sources (uses)	(12,789)	(12,789)	(1,791,219)	(1,778,430)
Net change in fund balances	-	(3,274,693)	(306,748)	2,967,945
Fund balances/Equity, beginning of the year	9,535,103	9,535,103	9,535,103	-
Fund balances/Equity, End of the year	$ 9,535,103	$ 6,260,410	$ 9,228,355	$ 2,967,945

Town of Sunnyvale
REQUIRED SUPPLEMENTARY INFORMATION
TEXAS MUNICIPAL RETIREMENT SYSTEM (TMRS)
SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
LAST EIGHT FISCAL YEARS (PREVIOUS YEARS ARE NOT AVAILABLE)

	Measurement Year 2021	Measurement Year 2020	Measurement Year 2019	Measurement Year 2018	Measurement Year 2017	Measurement Year 2016	Measurement Year 2015	Measurement Year 2014
Total Pension Liability								
Service cost	$ 783,276	$ 598,178	$ 420,447	$ 357,726	$ 321,161	$ 295,043	258,084	201,393
Interest (on the Total Pension Liability)	522,414	460,848	415,086	385,554	351,770	322,942	306,981	305,697
Changes of benefit terms	-	-	-	-	-	-	-	-
Difference between expected and actual experience	(61,801)	7,767	51,088	(63,739)	15,749	(15,243)	(17,673)	(288,939)
Change of assumptions	-	-	(17,984)	-	-	-	28,957	-
Benefits payments, including refunds of employee contributions	(263,684)	(230,842)	(328,254)	(218,505)	(194,424)	(183,001)	(208,896)	(247,410)
Net Change in Total Pension Liability	980,205	835,951	540,383	461,036	494,256	419,741	367,453	(29,259)
Total Pension Liability - Beginning	7,479,666	6,643,715	6,103,332	5,642,296	5,148,040	4,728,299	4,360,846	4,390,105
Total Pension Liability - Ending	$ 8,459,871	$ 7,479,666	$ 6,643,715	$ 6,103,332	$ 5,642,296	$ 5,148,040	4,728,299	4,360,846
Plan Fiduciary Net Position								
Contributions - employer	$ 578,754	$ 434,804	$ 311,546	$ 274,303	$ 244,031	$ 231,142	213,509	186,424
Contributions - employee	290,102	221,274	160,374	138,653	122,425	113,770	100,162	84,419
Net investment income	905,161	459,682	792,043	(152,102)	597,290	262,691	5,581	203,553
Benefit payments, including refunds of employee contributions	(263,684)	(230,842)	(328,254)	(218,505)	(194,424)	(183,001)	(208,896)	(247,410)
Administrative expense	(4,180)	(2,970)	(4,469)	(2,939)	(3,096)	(2,969)	(3,400)	(2,125)
Other	28	(116)	(133)	(153)	(157)	(160)	(168)	(175)
Net Change in Plan Fiduciary Net Position	1,506,181	881,832	931,107	39,257	766,069	421,473	106,788	224,686
Plan Fiduciary Net Position - Beginning	6,929,095	6,047,265	5,116,158	5,076,901	4,310,832	3,889,359	3,782,571	3,557,885
Plan Fiduciary Net Position - Ending	$ 8,435,276	$ 6,929,097	$ 6,047,265	$ 5,116,158	$ 5,076,901	$ 4,310,832	3,889,359	3,782,571
Net Pension Liability - Ending	$ 24,595	$ 550,569	$ 596,450	$ 987,174	$ 565,395	$ 837,208	838,940	578,275
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	99.71%	92.64%	91.02%	83.83%	89.98%	83.74%	82.26%	86.74%
Covered Employee Payroll	$ 4,835,039	$ 3,687,902	$ 2,672,898	$ 2,310,891	$ 2,040,414	$ 1,896,161	1,669,364	1,406,983
Net Pension Liability as a Percentage of Total Pension Liability	0.51%	14.93%	22.31%	42.72%	27.71%	44.15%	50.26%	41.10%

EXHIBIT B-2
continued

Town of Sunnyvale
REQUIRED SUPPLEMENTARY INFORMATION
TEXAS MUNICIPAL RETIREMENT SYSTEM (TMRS)
SCHEDULE OF CONTRIBUTIONS (UNAUDITED)
LAST NINE FISCAL YEARS (PREVIOUS YEARS ARE NOT AVAILABLE)

Plan Year	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially Determined Contribution	$ 578,754	$ 434,804	$ 320,748	$ 283,311	$ 242,197	$ 226,781	$ 206,166	$ 188,817	$ 173,488
Contributions in relation to the actuarially determined contribution	578,754	434,804	320,748	283,311	242,197	226,781	206,166	188,817	173,488
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ $4,835,039	$ $3,687,902	$ $2,672,898	$ $2,310,891	$ $2,040,414	$ $1,896,161	$ $1,669,364	$ $1,406,983	$ $1,340,708
Contributions as a percentage of covered payroll	11.97%	11.79%	12.00%	12.26%	11.87%	11.96%	12.35%	13.42%	12.94%

Notes to Schedule of Contributions

Valuation Date:	
Notes	Actuarially determined contribution rates are calculated as of December 31 and become effective in January 13 months later

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	28 years
Asset Valuation Method	10 Year smoothed fair value; 15% soft corridor
Inflation	2.50%
Salary Increases	3.50% to 10.50% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experienced-based table of rates that are specific to the City's plan of benefits. Last updated for the 2015 valuation pursuant to an experience study of the period 2010 - 2014.
Mortality	RP2000 Combined Mortality Table with Blue Collar Adjustment with males rates multiplied by 109% and female rates multiplied by 103% and projected on a fully generational basis with scale BB.

Other Information

Notes	There were no benefit changes during the year.

Note: Years will continue to be added until there are 10 years of comparison

Town of Sunnyvale
REQUIRED SUPPLEMENTARY INFORMATION OPEB
TEXAS MUNICIPAL RETIREMENT SYSTEM (TMRS)
SCHEDULE OF CHANGES IN OPEB LIABILITY (ASSET) AND RELATED RATIOS
LAST FIVE FISCAL YEARS (PREVIOUS YEARS ARE NOT AVAILABLE)

Measurement Year	2021	2020	2019	2018	2017
Total OPEB Liability - beginning of year	$ 152,745	$ 121,627	$ 89,497	$ 88,056	$ 72,217
Changes for the year					
Service Cost	17,890	12,539	8,286	9,012	7,141
Interest on Total OPEB Liability	3,161	3,497	3,454	3,049	2,849
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	(2,249)	(3,476)	660	(3,663)	-
Changes in assumptions or other inputs	5,358	20,033	20,799	(6,033)	6,665
Benefit payments **	(7,253)	(1,475)	(1,069)	(924)	(816)
Net Changes	16,907	31,118	32,130	1,441	15,839
Total OPEB Liability - end of year	$ 169,652	$ 152,745	$ 121,627	$ 89,497	$ 88,056
Covered Payroll	$ 4,835,039	$ 3,687,902	$ 2,672,898	$ 2,310,891	$ 2,040,414
Total OPEB Liability as a percentage of covered payroll	3.51%	4.14%	4.55%	3.87%	4.32%

Texas Municipal Retirement System (TMRS) administers a defined benefit group-term life insurance plan know as the Supplemental Death Benefits Fund (SDBF). The SDBF covers both active and retiree benefits with no segreegation of assets, and therefore doesn't meet the definition of a trust under GASB Statement 75 (i.e., no assets are accumulated for OPEB to pay retirement benefits) and as usch the SC+DBF is considered an unfunded OPEB plan.

Changes in assumptions and other inputs reflect the effect of changes in the discount rate each period. The following are the discount rates used each period.

2017	3.31%
2018	3.71%
2019	2.75%
2020	2.00%
2021	1.84%

** Due to the SDBF being considered an unfunded OPEB plan under GASB 75, benefit payments are treated as being equal to the employer's yearly contributions for retirees.

SUPPLEMENTARY INFORMATION

Roadway Impact Fund

Impact Fees are charges or assessments paid by new development in order to generate revenue for capital improvements in response to the developments' impact on services. The revenues presented are based on the expectation of 90 permit requests for the budget year.

Homestead Amenities Fund

The Homestead Amenities Fund was established in 2007 under Ordinance 464 to provide contributions in lieu of amenity construction. Currently the fund is being considered as a source of funds for the Collins Road expansion.

Special Revenue Funds

Revenues that are collected but are restricted and can only be spent under specific guidelines. For these funds, a fund description and fund statement are provided.

- American Heart Association
- Tree Mitigation
- Lone Star Libraries Grant Program
- Court Technology
- Court Security
- Cares Act Grant – COVID 19 related
- Health & Human Services Stimulus – COVID 19 related
- Donations

Capital Projects Funds

The Capital Projects Funds account for the design and construction of the Town's facilities, roads, drainage, parks, and water and sewer systems. Unlike the operating and enterprise budgets, the capital improvements budgets do not conclude at the end of each fiscal year, as many CIP projects remain in progress over several accounting periods. The Town utilizes professional service providers to conduct detailed studies to assist in determining the short- and long-range infrastructure needs. The Town's non-major Capital Project Funds are:

- PEG Capital – to account for Public Education Grant (PEG) fees are charged to communication providers and capital costs associated with PEG facilities, as permitted by law.
- Capital Projects – to account for improvements to the Town's owned infrastructure.

TOWN OF SUNNYVALE
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
September 30, 2022

	Roadway Impact	Homestead Amenities	Special Revenue	PEG Capital	4 A General	Total Other Governmental Funds
ASSETS						
Cash and Investments:						
Restricted	$ 1,390,181	$ 342,623	$ -	$ 70,634	$ 1,392,644	$ 3,196,082
Receivables (net of allowances for uncollectible)	-	-	-	-	8,615	8,615
Internal balances	-	-	1,747,970	-		1,747,970
Total Assets	$ 1,390,181	$ 342,623	$ 1,747,970	$ 70,634	$ 1,401,259	$ 4,952,667
LIABILITIES						
Deferred revenue	$ -	$ -	$ 1,599,329	$ -	$ -	$ 1,599,329
Total Liabilities	-	-	1,599,329	-	-	1,599,329
FUND BALANCES						
Restricted:						
Community services	-	-	-	70,634	-	70,634
Municipal court	-	-	148,641	-	-	148,641
Street Maintenance	1,390,181	342,623	-	-	-	1,732,804
Assigned:					-	
Community development	-	-	-	-	1,401,259	1,401,259
Unassigned	-	-	-	-		-
Total Fund Balances	1,390,181	342,623	148,641	70,634	1,401,259	3,353,338
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 1,390,181	$ 342,623	$ 1,747,970	$ 70,634	$ 1,401,259	$ 4,952,667

TOWN OF SUNNYVALE
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
September 30, 2022

	Roadway Impact	Homestead Amenities	Special Revenue	PEG Capital	4 A General	Total Other Governmental Funds
REVENUE						
Impact fees	$ 399,476	$ -	$ -	$ -	$ -	$ 399,476
Fines and forefeitures	-	-	29,659	-	-	29,659
Donations	-	-	15,719	-	-	15,719
Grant income	-	-	99,125	-	-	99,125
Investment income	9,686	2,560	-	528	13,906	26,680
Total Revenues	409,162	2,560	144,503	528	13,906	570,659
EXPENDITURES						
Current:						
Public services and operations	910,081	-	121,276	-	1,858	1,033,215
Debt Service:						
Interest and fiscal charges	-	-	-	-	7,168	7,168
Total Expenditures	910,081	-	121,276	-	9,026	1,040,383
Excess (deficiency) of revenues over (under) expenditures	(500,919)	2,560	23,227	528	4,880	(469,724)
Other Revenues and Financing sources (uses)						
Bonds issued	-	-	-	-	205,000	205,000
Premium on bonds issued	-	-	-	-	24,937	24,937
Payment to refunded bond escrow agent	-	-	-	-	(222,769)	(222,769)
Transfers in (Out)	-	-	-	-	(491,385)	(491,385)
Total other Financing sources (uses)	-	-	-	-	(484,217)	(484,217)
Net change in Fund Balances	(500,919)	2,560	23,227	528	(479,337)	(953,941)
Fund Balances/Equity, Beginning of year	1,891,100	340,063	125,414	70,106	1,880,596	4,307,279
Fund Balances/Equity, End of year	$ 1,390,181	$ 342,623	$ 148,641	$ 70,634	$ 1,401,259	$ 3,353,338

Town of Sunnyvale
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts			Variance with Final Budget- Positive
	Original	Final	Actual	(Negative)
REVENUE				
Property taxes	$ 1,922,375	$ 1,922,375	$ 1,925,930	$ 3,555
Investment Income	4,000	4,000	-	(4,000)
Intergovernmental- state & local	37,254	37,254	36,824	(430)
Total Revenues	1,963,629	1,963,629	1,962,754	(875)
EXPENDITURES				
Current:				
Debt Service				
Principal	1,075,000	1,075,000	1,075,000	-
Interest	755,765	755,765	733,481	22,284
Issuance cost of tax note	-	-	27,257	(27,257)
Total Current Expenditures	1,830,765	1,830,765	1,835,738	(4,973)
Total Expenditures	1,830,765	1,830,765	1,835,738	(4,973)
Excess (deficiency) of revenues over (under) expenditures	132,864	132,864	127,016	5,848
Other Revenues and Financing sources (uses)				
Transfers	-	-	7,786	7,786
Bonds issued	-	-	1,135,000	1,135,000
Premium on bonds issued	-	-	138,602	138,602
Payment to refunded bond escrow agent	-	-	(1,234,301)	(1,234,301)
Total Other Financing Sources (uses)	-	-	47,087	47,087
Net Change in Fund Balances	132,864	132,864	174,103	41,239
Fund Balances/Equity, Beginning of year	441,447	441,447	441,447	-
Fund Balances/Equity, End of year	$ 574,311	$ 574,311	$ 615,550	$ 41,239

EXHIBIT C-4

Town of Sunnyvale
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts			Variance with Final Budget- Positive
	Original	Final	Actual	(Negative)
REVENUE				
Intergovernmental-state & local	$ -	$ -	$ 1,250,000	$ 1,250,000
Investment Income	9,000	9,000	98,015	89,015
Total Revenues	9,000	9,000	1,348,015	1,339,015
EXPENDITURES				
Public works - capital outlay	7,056,187	7,056,187	8,033,440	(977,253)
Total General Government	7,056,187	7,056,187	8,033,440	(977,253)
Total Expenditures	7,056,187	7,056,187	8,033,440	(977,253)
Excess (deficiency) of revenues over (under) expenditures	(7,047,187)	(7,047,187)	(6,685,425)	361,762
Other Revenues and Financing sources (uses)				
Transfers	-	-	2,778,430	2,778,430
Total Other Financing Sources (uses)	-	-	2,778,430	2,778,430
Net Change in Fund Balances	(7,047,187)	(7,047,187)	(3,906,995)	3,140,192
Fund Balances/Equity, Beginning of year	4,355,899	4,355,899	13,351,835	8,995,936
Fund Balances/Equity, End of year	$ (2,691,288)	$ (2,691,288)	$ 9,444,840	$ 12,136,128

Town of Sunnyvale
SPECIAL REVEUNE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts			Variance with Final Budget- Positive
	Original	Final	Actual	(Negative)
REVENUE				
Fines and forefeitures	$ 27,840	$ 27,840	$ 29,659	$ 1,819
Donations	-	-	15,719	15,719
Grant income	-	-	99,125	99,125
Total Revenues	27,840	27,840	144,503	116,663
EXPENDITURES				
Current:				
Public Services and Operations	148,184	995,736	121,276	874,460
Total Expenditures	148,184	995,736	121,276	874,460
Excess (deficiency) of revenues over (under) expenditures	(120,344)	(967,896)	23,227	991,123
Net change in Fund Balances	(120,344)	(967,896)	23,227	991,123
Fund Balances/Equity, Beginning of year	193,524	193,524	125,414	(68,110)
Fund Balances/Equity, End of year	$ 73,180	$ (774,372)	$ 148,641	$ 923,013

TOWN OF SUNNYVALE EXHIBIT C-6

COMBINING BALANCE SHEET - COMPONENT UNITS

September 30, 2022

	Sunnyvale 4A Development Corporation	Sunnyvale 4B Development Corporation	Total Component Units
ASSETS			
Cash and cash equivalents	$ -	$ 3,536,360	$ 3,536,360
Receivables (net of allowances for uncollectible)	-	138,769	138,769
Restricted- cash and cash equivalents	311,550	-	311,550
Total Assets	$ 311,550	$ 3,675,129	$ 3,986,679
LIABILITIES			
Accounts Payable	$ 8,615	$ 38,998	$ 47,613
Due to other governments	-	65	65
Total Liabilities	8,615	39,063	47,678
FUND BALANCE			
Unassigned	302,935	3,636,066	3,939,001
Total Fund Balances	$ 302,935	$ 3,636,066	$ 3,939,001
Total Liabilities and Fund Balance	$ 311,550	$ 3,675,129	$ 3,986,679

TOWN OF SUNNYVALE

EXHIBIT C-7

RECONCILIATION OF THE COMBINING BALANCE SHEET - COMPONENT UNITS
TO THE STATEMENT OF NET POSITION
September 30, 2022

Total fund balance- component units	$	3,939,001
Notes payable are not due and payable in the current period, and; therefore, are not reported in the funds		(239,084)
Revenues that do not provide current financial resources but are recognized in the governmental activities.		
Net pension liability and net OPEB liability is not due and payable in the current period, and, therefore is not reported in the fund financial statements		(6,738)
Deferred inflow/outflow represent an acquisition of net position that is applied to future periods. The amount is unavailable and deferred at the fund level but recognized in the governmental activities		(1,764)
Compensated absences recorded as governmental liabilities in prior years were transferred to component unit in the current year. Compensated absences are not due and payable in the current period and therefore, are not reported in the funds.		(19,415)
Net position of component units- statement of net position	$	3,672,000

TOWN OF SUNNYVALE EXHIBIT C-8

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - COMPONENT UNITS

September 30, 2022

	Sunnyvale 4A Development Corporation	Sunnyvale 4B Development Corporation	Total Component Units
REVENUE			
Sales tax collected	$ -	$ 1,329,860	$ 1,329,860
Total Revenues	-	1,329,860	1,329,860
EXPENDITURES			
Current operating:			
Personnel services	-	146,794	146,794
Supplies and materials	-	10,984	10,984
Contractual services	-	127,726	127,726
Incentives	27,675	70,696	98,371
Intergovernmental	45,438	222,524	267,962
Debt Service			
Capital Outlay	-	145,500	145,500
Total Expenditures	73,113	724,224	797,337
Excess (deficiency) of revenues over (under) expenditures	(73,113)	605,636	532,523
Other Revenues and Financing sources (uses)			
Investment income	-	10,970	10,970
Total Other Financing Sources (uses)	-	10,970	10,970
Net Change in Fund Balances	(73,113)	616,606	543,493
Fund Balances/Equity, October 1	376,048	3,019,460	3,395,508
Fund Balances/Equity, September 30	$ 302,935	$ 3,636,066	$ 3,939,001

TOWN OF SUNNYVALE

EXHIBIT C-9

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE OF COMPONENT UNITS
TO THE STATEMENT OF ACTIVITIES
September 30, 2022

Net change in fund balances - component units	$	543,493
Amounts reported for governmental activities in the statement of activities are different because:		
Revenues in the statement of activities that are not recognized in the statement of revenues, expenditures and changes in fund balances		42,911
Changes to vacation and other compensated absence liabilities are not shown in the fund financial statements. The net effect of th current year is to increase net position.		4,015
Changes in net pension and OPEB liabilities and deferred outflows and inflows are not shown in the fund financial statements.		(12,448)
Change in net position of component units- statement of activities	$	577,971

EXHIBIT C-10

Town of Sunnyvale
4A DEVELOPMENT CORPORATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts			Variance with Final Budget- Positive
	Original	Final	Actual	(Negative)
REVENUE				
Sales tax collected	$ -	$ -	$ -	$ -
Total Revenues	-	-	-	-
EXPENDITURES				
Current operating:				
Intergovernmental	-	-	45,438	(45,438)
Incentives	-	-	27,675	(27,675)
Total Expenditures	-	-	73,113	(73,113)
Excess (deficiency) of revenues over (under) expenditures	-	-	(73,113)	(73,113)
Net Change in Fund Balances	-	-	(73,113)	(73,113)
Fund Balances/Equity, Beginning of year	2,767,766	2,767,766	376,048	2,391,718
Fund Balances/Equity, End of year	$ 2,767,766	$ 2,767,766	$ 302,935	$ 2,318,605

Town of Sunnyvale

4B DEVELOPMENT CORPORATION

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts			Variance with Final Budget-Positive
	Original	Final	Actual	(Negative)
REVENUE				
Sales tax collected	$ 850,000	$ 850,000	$ 1,329,860	$ 479,860
Total Revenues	850,000	850,000	1,329,860	479,860
EXPENDITURES				
Current operating:				
Personnel services	149,350	149,350	146,794	2,556
Supplies and materials	14,500	14,500	10,984	3,516
Contractual services	178,000	178,000	127,726	50,274
Intergovernmental	222,524	222,524	222,524	-
Incentives	400,000	400,000	70,696	329,304
Capital outlay	222,500	222,500	145,500	77,000
Total Expenditures	1,186,874	1,186,874	724,224	462,650
Excess (deficiency) of revenues over (under) expenditures	(336,874)	(336,874)	605,636	942,510
Other Revenues and Financing sources (uses)				
Interest Income	7,300	7,300	10,970	3,670
Total Other Financing Sources (uses)	7,300	7,300	10,970	3,670
Net Change in Fund Balances	(329,574)	(329,574)	616,606	946,180
Fund Balances/Equity, Beginning of year	3,019,460	3,019,460	3,019,460	-
Fund Balances/Equity, End of year	$ 2,689,886	$ 2,689,886	$ 3,636,066	$ 946,180

FOX, BYRD & COMPANY, P.C.
Accountants and Consultants

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Town Council
Town of Sunnyvale
127 North Collins Road
Sunnyvale, Texas 75182

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business- type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the Town of Sunnyvale, Texas, as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the Town of Sunnyvale, Texas' basic financial statements, and have issued our report thereon dated March 27, 2023.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements of the governmental activities, the business- type activities, each major fund, and the aggregate remaining fund information for the Town of Sunnyvale, Texas as of and for the year ended September 30, 2022, in accordance with auditing standards generally accepted in the United State of America, we considered the Town of Sunnyvale's internal control over financial reporting ("internal control") as a basis for designing our auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Sunnyvale's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Sunnyvale's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

12001 N. Central Expressway, Suite 500
Dallas, Texas 75243-3794
Ph (214) 696-8320 | Fax (214) 987-9840
www.foxbyrd.com

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Sunnyvale, Texas' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our test disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's control and compliance. Accordingly, this communication is not suitable for any other purpose.

Fox, Byrd + Company, P.C.

Dallas, Texas
March 27, 2023

STATISTICAL SECTION (UNAUDITED)

STATISTICAL SECTION (UNAUDITED)

This part of the Town of Sunnyvale's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and related supplementary information says about the Town's overall financial health.

CONTENTS **PAGE**

Financial Trends 93
This section contains information to help the reader understand how the Town's financial performance and well-being have changed over time.

Revenue Capacity 96
This section contains information to help the reader assess the Town's most significant local revenue source; property taxes.

Debt Capacity 103
This section contains information to help the reader assess the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future.

Demographic and Economic Information 108
This section contains information to help the reader understand the environment within which the Town's financial activities take place.

Operating Information 110
This section contains information to help the reader understand how the information in the Town's financial report relates to the services the Town provides and the activities it performs.

TOWN OF SUNNYVALE, TX
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(Unaudited)

Table 1

	FISCAL YEAR				
	2013	2014	2015	2016	2017
Governmental activities					
Net investment in capital assets	$ 4,956,375	$ 5,533,170	$ 9,192,257	$ 10,259,140	$ 11,019,317
Restricted	1,851,519	1,237,407	1,480,724	1,879,936	2,109,210
Unrestricted	2,332,178	5,072,122	5,063,645	5,125,907	4,924,743
Total governmental activities net position	9,140,072	11,842,699	15,736,626	17,264,983	18,053,270
Business-type activities					
Net investment in capital assets	8,412,549	8,638,647	14,404,813	14,409,109	17,832,746
Restricted	1,098,608	1,793,193	1,744,554	2,714,408	2,023,749
Unrestricted	1,359,897	1,090,014	520,468	1,048,812	1,639,134
Total business-type activities net position	10,871,054	11,521,854	16,669,835	18,172,329	21,495,629
Primary government					
Net investment in capital assets	13,368,924	14,171,817	23,597,070	24,668,249	28,852,063
Restricted	2,950,127	3,030,600	3,225,278	4,594,344	4,132,959
Unrestricted	3,692,075	6,162,136	5,584,113	6,174,719	6,563,877
Total primary government net position	$ 20,011,126	$ 23,364,553	$ 32,406,461	$ 35,437,312	$ 39,548,899

	FISCAL YEAR				
	2018	2019	2020	2021	2022
Governmental activities					
Net investment in capital assets	$ 13,645,563	$ 15,552,052	$ 133,606	$ 12,182,316	$ 17,352,038
Restricted	2,142,961	2,776,797	2,909,599	2,868,130	2,567,629
Unrestricted	5,496,564	5,333,169	25,366,349	18,272,961	18,204,617
Total governmental activities net position	21,285,088	23,662,018	28,409,554	33,323,407	38,124,284
Business-type activities					
Net investment in capital assets	24,413,662	24,054,875	23,815,634	23,889,533	28,658,820
Restricted	2,152,935	2,005,109	2,115,669	2,416,769	2,612,877
Unrestricted	2,610,035	3,817,204	4,550,549	5,409,711	10,064,590
Total business-type activities net position	29,176,632	29,877,188	30,481,852	31,716,013	41,336,287
Primary government					
Net investment in capital assets	38,059,225	39,606,927	23,949,240	36,071,849	46,010,858
Restricted	4,295,896	4,781,906	5,025,268	5,284,899	5,180,506
Unrestricted	8,106,599	9,150,373	29,916,898	23,682,672	28,269,207
Total primary government net position	$ 50,461,720	$ 53,539,206	$ 58,891,406	$ 65,039,420	$ 79,460,571

TOWN OF SUNNYVALE, TX
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(Unaudited)

Table 2

	FISCAL YEAR						FISCAL YEAR			
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
EXPENSES										
Governmental activities:										
General government	$ 1,458,993	$ 1,043,470	$ 1,052,425	$ 1,248,277	$ 1,639,530	$ 1,597,658	$ 2,395,053	$ 1,630,281	$ 2,626,808	$ 1,588,582
Public Safety	1,900,606	1,906,497	2,367,607	2,602,749	2,723,379	3,701,545	3,523,702	5,097,893	3,159,778	4,208,619
Public Services and Operations	1,979,301	821,386	816,091	2,092,844	1,783,654	1,910,903	767,562	1,007,254	2,518,133	2,048,056
Public Works	-	394,480	595,851	277,284	271,115	306,163	928,570	485,091	306,095	1,785,248
Parks and Recreation	305,228	428,745	509,635	471,979	573,556	617,800	709,313	629,045	606,795	734,632
Library	-	142,695	142,545	191,508	180,518	203,464	203,300	209,666	214,248	217,010
Interest on long-termdebt	228,506	88,808	103,540	97,819	125,638	245,412	176,184	780,918	765,950	767,906
Total governmental activities expenses	5,872,634	4,826,081	5,587,694	6,982,460	7,297,390	8,582,945	8,703,684	9,840,148	10,197,807	11,350,053
Business-type activities										
Utilities	2,946,655	3,374,140	3,663,328	4,257,032	4,361,206	5,074,148	5,409,232	5,977,691	6,119,271	6,620,543
Total business-type activities expenses	2,946,655	3,374,140	3,663,328	4,257,032	4,361,206	5,074,148	5,409,232	5,977,691	6,119,271	6,620,543
Total primary government expnese	8,819,289	8,200,221	9,251,022	11,239,492	11,658,596	13,657,093	14,112,916	15,817,839	16,317,078	17,970,596
PROGRAM REVENUES										
Governmental activities:										
Charge for services:										
General government	109,181	418,776	105,332	240,305	211,624	396,095	1,226,613	1,175,682	1,782,365	1,409,679
Public Safety	448,154	778,203	109,281	230,557	362,077	152,621	541,713	368,050	453,274	421,361
Public Services and Operations	25,581	-	296,036	499,121	489,160	544,563	-	-	-	-
Public Works	-	-	101,283	221,217	282,465	389,576	-	-	-	-
Parks and Cultural	-	3,135	4,197	6,244	6,616	11,393	-	-	-	-
Operating grants and contributions	202,144	507,878	118,384	113,123	12,175	67,108	913,863	3,652,159	2,235,661	1,689,575
Capital grants and contributions	230,901	-	1,524,366	566,140	208,272	3,164,377	-	-	-	-
Total governmental activities program revenues	1,015,961	1,707,992	2,258,879	1,876,707	1,572,389	4,725,733	2,682,189	5,195,891	4,471,300	3,520,615
Business-type activities::										
Charge for services:										
Utilities	3,330,492	3,825,951	4,249,639	4,808,138	4,707,371	5,729,121	5,884,310	6,572,507	7,447,753	9,600,592
Capital grants and contributions	15,000	-	2,239,086	883,070	2,355,760	6,375,710	-	-	-	7,246,387
Total business-type activities program revenues	3,345,492	3,825,951	6,488,725	5,691,208	7,063,131	12,104,831	5,884,310	6,572,507	7,447,753	16,846,979
Total primary government program revenues	4,361,453	5,533,943	8,747,604	7,567,915	8,635,520	16,830,564	8,566,499	11,768,398	11,919,053	20,367,594
NET (EXPENSE) REVENUE										
Governmental activities	(4,856,673)	(3,118,089)	(3,328,815)	(5,105,753)	(5,725,001)	(3,857,212)	(6,021,495)	(4,644,257)	(5,726,507)	(7,829,438)
Business-type activities	398,837	451,811	2,825,397	1,434,176	2,701,925	7,030,683	475,078	594,816	1,328,482	10,226,436
Total primary government program net expenses	$ (4,457,836)	$ (2,666,278)	$ (503,418)	$ (3,671,577)	$ (3,023,076)	$ 3,173,471	$ (5,546,417)	$ (4,049,441)	$ (4,398,025)	$ 2,396,998

(continued)

TOWN OF SUNNYVALE, TX
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(Unaudited)

Table 2
(continued)

	FISCAL YEAR							FISCAL YEAR		
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION										
Governmental activities:										
Taxes										
Property tax	$ 3,061,437	$ 3,309,754	$ 3,314,131	$ 3,774,207	$ 4,272,558	$ 4,499,897	$ 5,069,547	6,076,106	6,316,489	6,635,038
Sales tax	1,172,287	1,130,663	1,376,840	1,751,597	1,604,731	2,043,801	1,871,591	2,102,427	3,037,816	3,998,715
Franchise tax	940,189	986,539	1,205,928	1,158,235	1,105,973	1,081,674	1,089,316	965,376	921,852	1,094,077
Alcoholic Beverage tax	-	-	-	-	-	-	-	-	-	-
Investment income	3,167	1,343	1,085	5,845	26,551	5,130	141,058	126,847	85,813	185,302
Miscellaneous	20,229	12,870	51,245	3,218	107,570	150,411	82,082	94,724	153,390	204,191
Transfers	(198,200)	(196,611)	(98,276)	(58,992)	(604,095)	(636,276)	(22,317)	26,314	125,000	641,401
Total governmental activities	4,999,109	5,244,558	5,850,953	6,634,110	6,513,288	7,144,637	8,231,277	9,391,794	10,640,360	12,758,724
Business-type activities:										
Investment income	6,014	2,381	3,112	9,326	17,280	27,765	27,928	36,162	30,679	35,239
Transfers	198,200	196,611	98,276	58,992	604,095	636,276	197,550	(26,314)	(125,000)	(641,401)
Total business-type activities	204,214	198,992	101,388	68,318	621,375	664,041	225,478	9,848	(94,321)	(606,162)
Total primary government	5,203,323	5,443,550	5,952,341	6,702,428	7,134,663	7,808,678	8,456,755	9,401,642	10,546,039	12,152,562
CHANGE IN NET POSTION										
Governmental activities	142,436	2,126,469	2,522,138	1,528,357	788,287	3,287,425	2,209,782	4,747,537	4,913,853	4,929,286
Business-type activities	603,051	650,803	2,926,785	1,502,494	3,323,300	7,694,724	700,556	604,664	1,234,161	9,620,274
Total primary government	$ 745,487	$ 2,777,272	$ 5,448,923	$ 3,030,851	$ 4,111,587	$ ########	$ 2,910,338	5,352,201	6,148,014	14,549,560

TOWN OF SUNNYVALE, TX **Table 3**
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(Unaudited)

Fiscal Year	Property Tax	Sales Tax	Franchise Tax	Alcoholic Beverage Tax	Total
2013	3,061,437	1,172,287	940,189	-	5,173,913
2014	3,309,754	1,130,663	986,539	-	5,426,956
2015	3,314,131	1,376,840	1,205,928	-	5,896,899
2016	3,774,207	1,751,597	1,158,235	-	6,684,039
2017	4,272,558	1,604,731	1,105,973	-	6,983,262
2018	4,499,897	2,046,801	1,081,674	-	7,628,372
2019	6,076,106	2,102,427	965,376	-	9,143,909
2020	6,316,489	3,037,816	921,852	-	10,276,157
2021	6,316,489	3,037,816	921,852	-	10,276,157
2022	6,635,038	3,998,715	1,094,077	-	11,727,830

TOWN OF SUNNYVALE, TX
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(Unaudited)

Table 4

	FISCAL YEAR				
	2013	2014	2015	2016	2017
General Fund					
Nonspendable	$ -	$ -	$ 40,603	$ 31,015	$ 20,685
Restricted	25,000	-	151,331	350,318	-
Assigned	163,548	389,608	735,335	406,307	476,843
Unassigned	3,064,242	4,095,036	4,247,916	4,686,749	4,819,339
Total General Fund	3,252,790	4,484,644	5,175,185	5,474,389	5,316,867
All Other Governmental Funds					
Restricted for:					
General Use	-	-	-	-	-
Court Use	109,568	150,346	112,448	164,958	171,360
Capital Improvements	1,540,879	-	-	-	-
Debt Service	158,605	208,243	231,611	207,146	175,013
Community Development	17,467	28,831	80,368	54,092	68,041
Street Maintenance	-	849,987	904,966	1,126,413	1,373,872
Assigned for:					
Police	-	-	-	-	-
Capital Improvements	-	871,685	895,936	898,616	5,194,458
Community Services	36,560	-	-	-	-
Unassigned	(4,027)	(3,200)	(3,200)	(3,200)	-
Total all other Governmental Funds	$ 1,859,052	$ 2,105,892	$ 2,222,129	$ 2,448,025	$ 6,982,744

	FISCAL YEAR				
	2018	2019	2020	2021	2022
General Fund					
Nonspendable	$ 45,000	$ 35,000	$ 240,630	$ 241,972	$ 231,631
Restricted	-				
Assigned	557,219	640,984	746,346	883,557	1,053,557
Unassigned	5,054,193	5,847,140	6,386,587	8,409,574	8,411,592
Total General Fund	5,656,412	6,523,124	7,373,563	9,535,103	9,696,780
All Other Governmental Funds					
Restricted for:					
General Use	-	-	-	-	-
Court Use	193,524	197,437	244,945	125,414	148,641
Capital Improvements	-				
Debt Service	248,126	328,550	86,437	441,447	615,550
Community Development	68,543	69,062	69,583	70,106	70,634
Street Maintenance	1,531,075	2,181,748	2,508,635	2,231,163	1,732,804
Assigned for:					
Police	-	-			
Capital Improvements	4,355,897	6,547,278	15,867,732	13,351,835	9,444,840
Community Services	-	-	2,371,519	1,880,596	1,401,259
Unassigned	-	-			
Total all other Governmental Funds	$ 6,397,165	$ 9,324,075	$ 21,148,851	$ 18,100,561	$ 13,413,728

TOWN OF SUNNYVALE, TX
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(Unaudited)

Table 5

	FISCAL YEAR							FISCAL YEAR		
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
REVENUES										
Taxes										
Property taxes	$ 3,153,354	$ 3,269,744	$ 3,400,741	$ 3,750,703	$ 4,248,741	$ 4,528,010	$ 5,069,550	$ 5,911,019	$ 6,316,489	$ 6,635,038
Sales tax	1,172,287	1,130,663	1,376,840	1,751,597	1,604,731	2,043,801	1,871,591	2,102,427	3,037,816	3,998,715
Franchise tax	940,189	986,539	1,205,928	1,158,235	1,105,973	1,081,673	1,089,316	965,376	921,852	1,094,077
Alcoholic Beverage Tax	-	-	-	-	-	-	-			
Licenses and Permits	109,181	334,239	163,582	357,698	497,981	512,303	560,751	844,143	1,099,596	1,010,203
Fines and forfeitures	397,035	616,098	299,291	503,179	495,435	548,289	405,755	228,992	273,119	217,870
Charge for Current Services	76,700	32,713	44,415	43,742	49,486	44,080	135,958	139,058	180,155	203,491
Impact fees	-	217,064	101,283	221,217	282,465	389,576	665,862	331,539	682,769	399,476
Grants	-	10,383	-	-	-	13,195	9,018	312,981	67,330	99,125
Donations	181,130	-	687	1,119	1,085	620	-	39,571	9,530	15,719
Investment income	3,167	1,343	1,085	3,218	26,551	117,697	141,058	126,847	85,813	185,302
Intergovernmental	36,774	492,973	195,389	170,162	266,290	84,730	904,845	3,299,607	2,158,801	1,574,731
Miscellaneous	20,229	12,870	51,245	5,844	106,195	5,130	82,082	92,273	153,390	204,191
Total Revenues	6,090,046	7,104,629	6,840,486	7,966,714	8,684,933	9,369,104	10,935,786	14,393,833	14,986,660	15,637,938
EXPENDITURES										
General government	1,365,401	949,165	930,884	1,068,827	1,705,243	1,423,454	1,621,591	1,568,836	1,787,833	1,806,167
Public Safety	1,922,274	1,821,954	2,259,340	2,452,774	2,364,482	3,574,902	3,749,566	4,923,250	4,071,969	4,445,193
Public Works	-	311,230	444,662	1,459,117	1,033,291	908,421	646,769	190,253	306,095	1,440,039
Parks and Recreational	-	358,761	438,869	390,696	370,788	602,178	620,870	537,074	606,795	619,169
Publice Services and Operations **	2,161,178	821,385	836,325	741,970	812,361	1,116,323	767,562	1,007,254	2,518,133	2,048,056
Library	-	142,695	146,395	193,428	179,388	197,395	203,300	208,981	214,248	217,010
Capital Outlay	-	541,695	1,095,256	425,501	772,040	210,724	2,581,160	5,883,796	4,432,963	8,900,849
Debt service										
Principal Retirement	4,805,000 *	380,000	450,000	634,097	660,170	681,804	420,000	985,000	1,035,000	1,075,000
Interest and other charges	173,120	102,439	103,540	97,619	193,033	245,412	176,184	547,737	813,803	740,649
Bond issuance costs	73,452	-	23,041	-	-	-	-	233,181	(47,853)	27,257
Total Expenditures	10,500,425	5,429,324	6,728,312	7,464,229	8,090,796	8,960,613	10,787,002	16,085,362	15,738,986	21,319,389
Excess (deficiency) of revenues over (under) expenditures	(4,410,379)	1,675,305	112,174	502,485	594,137	408,491	148,784	(1,691,529)	(752,326)	(5,681,451)
OTHER FINANCING SOURCES (USES)										
Transfers	25,000	(196,611)	(98,276)	(58,992)	(604,095)	(654,518)	(22,317)	26,314	125,000	641,401
Gain on sale of assets	-	-	7,880	81,607	26,573	-	-	2,451	-	-
Capital leases									(259,424)	-
Issuance of Tax Note	-	-	785,000	-	-	-	-			
Issuance of Certificates of Obligation	4,549,032 *	-	-	-	4,360,581	-	3,500,000	14,337,979	-	-
Bonds and Premiums on bonds issued										1,503,539
Payments to refinanced bond escrow agent										(1,457,070)
Total other financing sources (uses)	4,574,032	(196,611)	694,604	22,615	3,783,059	(654,518)	3,477,683	14,366,744	(134,424)	687,870
NET CHANGE IN FUND BALANCES	$ 163,653	$ 1,478,694	$ 806,778	$ 525,100	$ 4,377,196	$ (246,027)	$ 3,626,467	$ 12,675,215	$ (886,750)	$ (4,993,581)
Debt service as a percentage of noncapital expenditures	7.21%	9.87%	9.83%	10.40%	11.66%	10.60%	5.53%	10.98%	11.44%	8.64%

* Refunding bond in fiscal year 2013

** Public Services and Operations includes Community Development, Library, and Parks and Streets for years 2005-2013.

TOWN OF SUNNYVALE, TX
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(unaudited)

Table 6

Fiscal Year Ended Sept. 30	Estimated Actual Value		Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Total Taxable Assessed Value Inc / (Dec)
	Real Property	Personal Property				
2013	809,693,090	199,622,700	260,261,093	749,054,697	0.40796	-2.66%
2014	856,130,210	232,716,580	283,769,366	805,077,424	0.40796	6.96%
2015	888,189,540	218,121,640	274,631,565	831,679,615	0.40796	3.20%
2016	931,852,220	294,122,850	301,684,556	924,290,514	0.40796	10.02%
2017	1,032,922,190	303,227,460	364,392,341	971,757,309	0.40796	4.88%
2018	1,118,858,490	304,117,440	351,596,731	1,071,379,199	0.41309	9.30%
2019	1,227,127,840	310,753,650	396,894,926	1,225,860,828	0.41290	12.60%
2020	1,320,984,780	333,901,780	406,504,068	1,301,482,969	0.45670	5.81%
2021	1,444,123,102	360,761,250	402,590,673	1,399,554,157	0.45670	7.01%
2022	1,603,528,910	384,549,740	458,415,449	1,524,663,201	0.45300	8.52%
					Avg	6.56%

Source: Town Administration Office.

Note: Property is reassessed annually. Property is assessed actual value; therefore, the assessed values are equal to actual value.
Tax rates are per $100 of assessed value.

Residential: includes single family, vacant lots, acreage, farm and ranch
Commercial: includes real property, industrial and utilities

TOWN OF SUNNYVALE, TX
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
(PER $100 OF ASSESSED VALUE)
(unaudited)

Table 7

	Town Direct Rates			Overlapping Rates *		
Fiscal Year Ended Sept. 30	Operating/ General Rate	General Obligation Debt Service	Total Direct	Sunnyvale Independent School District	Dallas County	Total Direct and Overlapping Rates
2013	0.3074	0.1006	0.4080	1.4100	0.2431	2.0611
2014	0.3177	0.0902	0.4080	1.4100	0.2431	2.0611
2015	0.3368	0.0712	0.4080	1.4100	0.2431	2.0611
2016	0.3392	0.0688	0.4080	1.4100	0.2431	2.0611
2017	0.3392	0.0688	0.4080	1.4100	0.2431	2.0611
2018	0.3485	0.0646	0.4131	1.5200	0.2431	2.1762
2019	0.3391	0.0738	0.4129	1.4500	0.2431	2.1060
2020	0.3570	0.0997	0.4567	1.4500	0.2431	2.1498
2021	0.3105	0.1462	0.4567	1.3892	0.2397	2.0856
2022	0.3212	0.1318	0.4530	1.3420	0.2279	2.0229

Source: Town Administration Office and Dallas Central Appraisal District

*Overlapping rates are those of local and county governments that apply to property owners within the Town of Sunnyvale, Texas.

TOWN OF SUNNYVALE, TX
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND TEN YEARS AGO
(unaudited)

Table 8

	2022[1]			2013[1]		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
DAL TILE CORPORATION	$ 122,834,848	1	7.12%			
SUNNYVALE BUSINESS CENTER JV	34,300,680	3	1.99%			
LLH MRS MASTER RE LLC	30,966,160	2	1.80%			
SABRA TEXAS PROPERTIES LP	24,000,000	4	1.39%			
HOMATEX LP	22,880,000	5	1.33%			
ONCOR ELECTRIC DELIVERY	13,440,980	6	0.78%			
RKS SUNNYVALE LLC	12,628,060	7	0.73%			
MMPF II SUNNYVALE SPE LLC	9,855,000	8	0.57%			
BPREP 301 CLAY ROAD LP	9,796,000	9	0.57%			
LINEAGE LOGISTICS LLC	9,613,366	10	0.56%			
AMERICAN MARAZZI TILE INC				$ 28,946,634	1	3.60%
SABRA TEXAS PROPERTIES LP				$ 27,875,060	2	3.46%
HOMATEX LP				$ 15,257,710	3	1.90%
MILLARD REFRIGERATED SERVICES				$ 13,998,817	4	1.74%
301 CLAY RD LLC				$ 11,692,210	5	1.45%
ARHC SMSVLTO1 LLC				$ 11,025,000	6	1.37%
DAL TILE CORPORATION				$ 10,193,213	7	1.27%
TEXAS REGIONAL MEDICAL CENTER				$ 8,286,778	8	1.03%
ONCOR ELECTRIC DELIVERY CO				$ 7,409,170	9	0.92%
JOHN SOULES FOODS				$ 6,877,520	10	0.85%
Total	$ 290,315,094		16.84%	$ 141,562,112		17.59%
Total valuation of Town net of exempt property	$ 1,724,562,060			$ 805,077,424		

Source: [1] Dallas County Tax Office

TOWN OF SUNNYVALE, TX
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(unaudited)

Table 9

Fiscal Year Ended Sept. 30	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	% of Levy		Amount	% of Levy
2013	3,089,815	2,977,346	96.36%	99,286	3,076,632	99.6%
2014	3,288,047	3,241,651	98.59%	34,127	3,275,778	99.6%
2015	3,392,837	3,335,116	98.30%	43,048	3,378,164	99.6%
2016	3,746,450	3,696,188	98.66%	31,947	3,728,135	99.5%
2017	3,903,070	3,874,714	99.27%	26,344	3,901,058	99.9%
2018	4,384,310	4,359,156	99.43%	25,896	4,385,052	100.0%
2019	5,006,961	4,965,023	99.16%	79,589	5,044,613	100.8%
2020	5,870,068	5,842,547	99.53%	32,820	5,875,367	100.1%
2021	6,373,728	6,343,125	99.52%	6,431	6,349,557	99.6%
2022	6,685,967	6,718,767	100.49%	(103,217)	6,615,550	98.9%

Source: First Southwest Company, Dallas County Tax Office Year End Report, Texas Municipal Reports

TOWN OF SUNNYVALE, TX
RATIO OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(unaudited)

Table 10

Fiscal Year	Governmental Activities				Business-Type Activities			Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligations	Certificates of Obligation	Tax Note	Capital Lease	Certificates of Obligation	General Obligations	Other Obligations			
2013	$ 4,541,976	$ -	$ -	$ -	$ 2,840,000	$ 3,247,541	$ 126,493	$ 10,756,101	4.58%	1,903
2014	4,145,040	-	-	-	2,899,987	2,763,858	118,058	9,926,943	4.42%	1,757
2015	3,728,105	-	735,000	-	2,641,573	2,588,576	109,623	9,802,877	3.92%	1,700
2016	3,296,169	-	615,000	492,457	2,608,603	2,135,000	144,040	9,291,269	3.42%	1,537
2017	7,188,501	-	495,000	402,288	2,468,477	1,820,000	132,031	12,506,297	4.43%	2,083
2018	6,685,786	-	375,000	310,484	2,328,824	1,675,000	120,024	11,495,118	3.64%	1,771
2019	6,358,071	-	3,810,000	217,016	2,184,172	1,530,000	108,018	14,207,277	4.38%	2,127
2020	6,020,456	-	3,270,000	648,261	2,034,521	1,380,000	96,012	13,449,250	4.21%	1,966
2021	1,540,000	15,750,000	2,690,000	514,795	3,025,000	2,860,000	1,027,372	27,407,167	9.06%	3,770
2022	1,340,000	15,545,000	2,690,000	345,415	3,910,000	1,555,000	619,824	26,005,239	6.68%	3,295

Note 1: Details regarding the Town's outstanding debt can be found in the notes to the financial statements
(1) See Table 15 for personal income and population data

TOWN OF SUNNYVALE, TX **Table 11**
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(unaudited)

Fiscal Year	General Obligations	Less: Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property (1)	Per Capita (2)
2013	$ 4,541,976	$ 158,605	$ 4,383,371	0.59%	776
2014	4,145,040	199,293	3,945,747	0.49%	698
2015	4,463,105	231,611	4,231,494	0.51%	734
2016	4,403,626	207,145	4,196,481	0.45%	671
2017	8,085,789	175,012	7,910,777	0.81%	1,216
2018	7,371,270	248,126	7,123,144	0.66%	1,067
2019	10,385,087	328,550	10,056,537	0.82%	1,503
2020	9,938,717	70,412	9,868,305	0.76%	1,443
2021	21,449,600	426,548	21,023,052	1.50%	2,892
2022	26,803,834	576,249	26,227,585	1.72%	3,323

Note: Details regarding the Town's outstanding debt can be found in the notes to the financial statements.

Source:

(1) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property on Table 6 for property value data.

(2) Population data can be found in the Schedule of Demographic and Economic Statistics on Table 15.

TOWN OF SUNNYVALE, TX **Table 12**

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

SEPTEMBER 30, 2022

(unaudited)

Governmental Subdivision	Gross Bonded Debt	Percentage of Debt Applicable to Area	Town Share of Overlapping Debt
Dallas County	$ 236,605,000	0.53%	$ 1,254,007
Dallas County CCD	110,835,000	0.53%	587,426
Dallas County Hospital District	559,905,000	0.53%	2,967,497
Dallas County Schools	1,478,029	0.53%	7,834
Sunnyvale I S D	86,282,574	98.02%	84,574,179
	$ 995,105,603		89,390,941
Town of Sunnyvale, Texas direct debt			24,520,000
			$ 113,910,941
Ratio of overlapping bonded debt to taxable assessed valuation (valued at 100% of market value)			7.45%
Per capita overlapping bonded debt			$14,128

Source: "Texas Municipal Report" , prepared by the Municipal Advisory Council.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the Town. This schedule estimates the portion of the outstanding debt of those overlapping government that is borne by the residents and businesses of the Town of Sunnyvale. This process recognizes that, when considering the Town of Sunnyvale's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government.

(1) The percentage of overlapping debt applicable is estimated using the taxable assessed property values. Applicable percentages were estimated by determining the portion of the overlapping government's taxable assessed value that is within the Town of Sunnyvale's boundaries and dividing it by the overlapping government's total taxable assessed value.

TOWN OF SUNNYVALE, TX
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(unaudited)

Table 13

	FISCAL YEAR				
	2013	**2014**	**2015**	**2016**	**2017**
Debt Limit	$ 2.50	$ 2.50	$ 2.50	$ 2.50	$ 2.50
Current Tax Rate	0.40796	0.40796	0.40796	0.40796	0.40796
Available Tax Rate	$ 2.09204	$ 2.09204	$ 2.09204	$ 2.09204	$ 2.09204
Total net debt applicable to the limit as a percentage of debt limit	19.50%	19.50%	19.50%	19.50%	19.50%

	FISCAL YEAR				
	2018	**2019**	**2020**	**2021**	**2022**
Debt Limit	$ 2.50	$ 2.50	$ 2.50	$ 2.50	$ 2.50
Current Tax Rate	0.41309	0.45670	0.45670	0.45300	0.45300
Available Tax Rate	$ 2.08691	$ 2.04330	$ 2.04330	$ 2.04700	$ 2.04700
Total net debt applicable to the limit as a percentage of debt limit	19.79%	22.35%	22.35%	22.13%	22.13%

TOWN OF SUNNYVALE, TX
PLEDGED-REVENUE COVERAGE
LAST TEN FISCAL YEARS
(unaudited)

Table 14

Fiscal Year	Tax and Revenue Refunding Bonds					
	Total Revenues (a)	Less: Operating Expenses (b)	Net Available Revenue	Debt Service		Times Coverage
				Principal	Interest	
2013	$ 3,330,492	$ 2,517,502	$ 812,990	$ 417,004	$ 184,951	1.35
2014	3,825,951	2,922,114	903,837	415,000	174,875	1.53
2015	4,079,273	3,118,955	960,318	425,000	163,950	1.63
2016	4,208,074	3,703,658	504,416	440,000	152,375	0.85
2017	4,381,231	3,734,548	646,683	275,000	143,075	1.55
2018	5,407,543	4,280,436	1,127,107	280,000	134,800	2.72
2019	5,423,887	4,553,974	869,913	290,000	124,875	2.10
2020	6,221,833	5,677,392	544,441	375,000	242,147	0.88
2021	6,897,528	6,128,077	768,451	420,000	205,716	1.23
2022	9,219,975	6,541,283	2,678,692	435,000	211,050	4.15

Note: Details regarding the Town's outstanding debt can be found in the notes to the financial statements.
Revenue does not include transfers or non-operating revenues.
a Includes operating expenses minus depreciation, bond issuance costs, and other
b non-operating expenses.

TOWN OF SUNNYVALE, TX
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(unaudited)

Table 15

Fiscal Year	Estimated Population 1	Personal Income	Per Capita Personal Income 2	Median Age 5	School Enrollment 3	Unemployment Rate 4
2013	5,723	224,791,129	39,779	(a)	1,361	6.2%
2014	5,839	224,791,129 **	(a)	(a)	1,512	5.5%
2015	6,126	250,077,186	43,371	41.9	1,565	4.0%
2016	6,251	271,816,812	41,398	39.6	1,638	3.9%
2017	6,504	305,915,640	47,035	40.4	1,752	4.0%
2018	6,678	324,590,868	48,606	38	1,814	3.7%
2019	6,690	295,075,830	44,107	40.8	1,931	3.3%
2020	6,841 **	319,098,445	46,645	41	2,023	7.5%
2021	7,270	302,446,180	46,645	40	1,976	7.2%
2022	7,893	380,939,859	48,263 (b)	41	2,111	3.3%

Sources:

1 Municipal Advisory Council of Texas, U.S. Census Bureau Quickfacts estimate, NCTCOG 2021 Estimates Publication
2 U.S. Census Bureau Quickfacts
3 Sunnyvale Independent School District, Texas Education Agency
4 US Department of Labor - Bureau of Labor Statistics - DFW Region
* Town Charts/Texas Demographics/Sunnyvale, American Fact Finder, City-Data
** Estimated
(a) Information not available
(b) TX HomeTownLocator (as of July 1, 2022)
(c) US Census Bureau - American Fact Finder (2017-2021 5 year estimate)

TOWN OF SUNNYVALE, TX
PRINCIPAL EMPLOYERS
CURRENT YEAR AND TEN YEARS AGO
(unaudited)

Table 16

	2022	2013
Business Sector	**Number of Employees**	**Number of Employees**
Agriculture, Forestry, Fishing, Hunting & Mining	0	18
Construction	276	111
Manufacturing	150	271
Wholesale Trade	74	57
Retail Trade	348	206
Transportation & Warehousing, and Utilities	89	124
Information	137	22
Finance, Insurance, Real Estate, Rental & Leasing	391	311
Professional, Scientific, Management, & Administrative & Waste Management Services	703	288
Educational Services, and Health Care & Social Assistance	1,349	790
Arts, Entertainment, Recreation, and Accommodation & Food Services	265	89
Other Services, except Public Administration	136	153
Public Administration	80	57

Note: The Town of Sunnyvale is a relatively small municipality with a geographic area of approximately 16 square miles. Information is from the U.S. Census Bureau.

TOWN OF SUNNYVALE, TX
FULL-TIME EQUIVALENT TOWN GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(unaudited)

Table 17

Function / Program	Fiscal Year 2013	2014	2015	2016	2017	2018	2019	Fiscal Year 2020	2021	2022
General government										
Administrative Services										
Town Manager	1	1	1	1	1	2	2	2	2	2
Town Secretary	1	1	1	1	1	1	1	1	1	1
Secretary/Admin Assistant	1	1	1	1	0	0	0	0	0	0
Economic Development	1	1	1	1	1	1	1	0	1	1
Financial Services										
Finance	2	2	3	3	3	3	3	3	3	3
Municipal Court	2	2	2	2	3	2	2	2	2	2
Municipal Court Judge	1	1	1	1	1	1	1	1	1	1
Library	3	3	3	3	3	3	3	3	3	3
Public Safety										
Police **	0	0	0	0	0	0	0	21	21	20
Development Services	4	4	5	5	5	7	7	7	9	7
Fire	1	4	5	5	5	8	11	11	16	15
Parks & Streets	7	7	7	7	8	8	7	5	6	6
Water and Sewer Systems	6	6	6	8	9	9	8	11	11	9
Total	30	33	36	38	40	45	46	67	76	70

Source: Town Administration Office.
** All positions contracted with Dallas County thru 2019

TOWN OF SUNNYVALE, TX
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS
(unaudited)

Table 18

Function/Program	Fiscal Year 2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Judicial										
Municipal Court Fines	$375,898	$442,434	$ 370,378	$ 426,246	$ 457,607	$ 520,854	$ 446,479	$ 245,275	$ 271,911	$ 216,701
Fire										
Fire Calls	33	30	38	42	28	27	30	34	33	48
Fire Loss	$2,500	$20,000	$82,290	$174,000	$1,043,070	$658,460	$52,500	$168,500	$453,000	$331,050
New Development										
Permits Issued (Units)	120	102	44	108	90	97	137	118	136	105
Permit Value	$292,092	$521,027	$14,041,157	$55,916,721	$60,916,508	$117,621,670	$71,822,780	$62,023,915	$2,173,964	$79,145,500
Streets										
Miles of Streets Maintained	54.69	55.7	57.63	59.11	60.11	63.71	63.71	63.71	68.26	70.26
Health										
Animals Impounded	151	133	133	168	178	170	166	178	193	242
Cultural and Recreational										
Parks										
Parks Maintained	5	5	5	5	5	5	5	5	5	5
Sanitation Service										
Refuse Customers	2,155	2,178	1,947	1,965	2,071	2,153	2,245	2,366	2,427	2,562
Water										
Number of Water Customers	2,155	2,178	2,256	2,336	2,492	2,597	2,740	2,853	2,915	3,125
Estimated Gallons Billed (in thousands)	577,817	422,669	478,108	462,682	450,176	584,989	499,961	565,437	624,238	719,167
Sewer										
Number of Wastewater Customers	1,530	1,575	1,587	1,641	1,741	1,820	1,919	2,047	2,113	2,258

Sources: Various government departments

(a) Information not available

(b) Information reflects Jan-Sept 2012 activity only

TOWN OF SUNNYVALE, TX
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS
(unaudited)

Table 19

Function	Fiscal Year 2013	2014	2015	2016	2017	Fiscal Year 2018	2019	2020	2021	2022
Police										
Number of Stations	1	1	1	1	1	1	1	1	1	1
Fire										
Number of Stations	1	1	1	1	1	1	1	1	1	1
Fire Hydrants	685	710	796	842	875	940	952	955	989	994
Streets										
Miles of Streets	54.69	55.7	57.63	59.11	60.11	63.71	63.71	63.91	68.26	70.26
Cultural and Recreational										
Parks Maintained	5	5	5	5	5	5	5	5	5	5
Water										
Water Storage Capacity (gallons)	800,000	800,000	800,000	800,000	1,725,000	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000

Sources: Various government departments.